The Oil Drum: Local E E

The State of the (Energy) Union (and a SOTU open thread)

Posted by <u>Glenn</u> on January 23, 2007 - 8:30pm in <u>The Oil Drum: Local</u> Topic: <u>Environment/Sustainability</u> Tags: <u>carbon emissions</u>, <u>climate change</u>, <u>global warming</u> [list all tags]

UPDATE by Prof. Goose

Tonight President Bush will ask Congress to join him in pursuing the goal of reducing US gasoline consumption by 20% in the next ten years (and petroleum consumption by 10% by 2017--thanks Chris V.). <u>Here is a .pdf (125Kb)</u> of the press release and "the plan."

We don't yet know what President Bush will say specifically in the SOTU speech about environmental issues, climate change or our nation's addiction to oil. However, by tomorrow he may be playing catch up to an array of local, state and private sector efforts to reduce green house gas emissions. <u>Here in New York City</u> and <u>around the country</u> local municipalities are making real commitments to reducing carbon emissions. In California, Gov. Schwarzenegger is trying to reduce the carbon emissions from tailpipes with an ambitious approach to <u>capping</u> carbon emissions and reducing them to 1990 levels by 2020.

And now a group of large corporations looking to reduce their exposure to all these new and varied state and city level legislation <u>have banded together</u> to call for a national limit to carbon emissions set at the Federal level.

Many energy producers and manufacturers have expressed concern that various state efforts, if not coordinated, could lead to a scattershot system of regulation. Others worry that harsher measures, like a stiff tax on fossil fuels, the biggest contributor to global-warming gases, could be imposed if they do not reach a consensus on a legislative approach.

The group's formal announcement is scheduled for Monday, the day before President Bush is to deliver his State of the Union address and offer the administration's newest basket of proposals to promote energy security and combat global warming.

While they didn't figure out a model piece of legislation that they could all agree on, they did agree to some basic principles to encourage more market based carbon credit system.

The group's principles include recommending a range of emissions levels — from 100 to 105 percent of current levels within five years, then down to 90 to 100 percent of current levels in 10 years, and 70 to 90 percent of current levels in 15 years. In addition, the chief executives agreed after some discussion, to "strongly discourage further construction of stationary sources that cannot easily capture" carbon dioxide.

This would basically eliminate the idea of new coal plants without significant carbon sequestration technology in place.

Politically industry seems to sense a moment of opportunity following the Democrats rise to power in Congress and President Bush's last two years in office to solidify the regulatory framework they will operate within for the next generation.

Timing also played a role in the executives' thinking. As Mr. Darbee said, "We have the opportunity to construct something more pragmatic and realistic while President Bush is in office." A future political climate, after 2008, he said, might produce "solutions less sensitive to the needs of business."

Hear that Hillary and Barack? McCain? Governor Richardson (an energy dude himself...)?

This could be President Bush's last chance to create a long lasting legacy on the environment. And the Democrats look like they are open to dealing on the carbon emissions to produce tangible progress on a major issue for their base. Will Bush deal? We shall see on Tuesday night.

UPDATE by Prof. Goose

Democrats Expect Bush Push on Ethanol by Bret Schulte

Word that President Bush will call for a massive increase in ethanol production as key to his strategy for energy security and the fight against global warming has Capitol Hill and industry lobbyists buzzing. Bush's goal, according to sources, will be 60 billion gallons of ethanol blended with U.S. gasoline and pumped into cars by 2030.

Dave Roberts provides his insightful and best guesses on the SOTU tonight here

In the end, it will be sound and fury signifying nothing. Promises of "energy independence" are nothing new, and they come to nothing. Thus shall it be with climate change. All the real action is happening at the state and local level, and it will be so until 2009. But Bush's increasingly desperate song and dance is always fun to hum along to.

and the **Denver Post** weighs in:

In his first State of the Union address to a Democratic-controlled Congress, President Bush will urge that gasoline consumption be slashed by 20 percent, the White House said, and press lawmakers not to resist his Iraq war buildup.

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