

Top 10 Reasons the Senate Should Pass Climate and Energy Legislation This Year

Comprehensive energy and climate legislation is vitally needed this year to help deliver economic, energy, and climate security. As President Obama has said, the choice is “between a slow decline and renewed prosperity; between the past and the future.” The time to act is now.

The House passed the American Clean Energy and Security Act (ACES) at the end of June. The House bill is not perfect (no legislation is), but it addresses concerns about cost, consumer protection, regional impacts, and industrial competitiveness that are key to success in the Senate.

Now it is the Senate’s turn to act. Here are the top 10 reasons the Senate should move this fall to pass strong and comprehensive energy and climate legislation. We need to:

1. Clean up carbon pollution. We need national limits on global warming pollution that gradually tighten over time. They should be science-based, putting the U.S. on a pathway to avoid the worst effects of global warming. The House bill’s long-term emission limits meet that need, cutting emissions 42 percent by 2030 and 83 percent by 2050 compared to 2005 levels. For the mid-term, however, the Senate should require at least a 20 percent reduction by 2020—a level of reductions that we need and we can afford.

2. Take a comprehensive approach. We need legislation that places most U.S. emissions of carbon dioxide and other heat-trapping gases under a declining cap (the House bill covers approximately 85 percent of U.S. emissions), complemented by performance standards and incentives to advance energy efficiency, renewable energy, and clean energy technologies. The bill should fully account for all carbon pollution, including that created by producing bio-energy, and it should build on, not replace, key provisions of the Clean Air Act designed to clean up existing dirty power plants.

3. Create jobs. The absence of a clear national energy and climate policy is holding back billions of dollars in clean energy investments that will help power our economic recovery and future growth. Passing energy and climate legislation this year will create the economic drivers we need to shift to a clean energy economy. By investing \$150 billion in clean energy, we can create a net increase of 1.7 million jobs according to the Political Economy Research Institute.¹

4. Make energy affordable. According to both the Environmental Protection Agency and the Congressional Budget Office, the actual per-household cost in 2020 of legislation like the House-passed bill will be less than a postage stamp a day. NRDC’s research shows that by 2020 American households will save an average of \$6 per month on their electricity bills and \$14 per month on the cost of owning and driving their vehicles.²

5. Keep America competitive. The Senate, like the House, can ensure that energy-intensive U.S. manufacturers have a level playing field so they can compete and win in the global economy by investing in state-of-the-art domestic facilities, preventing jobs and emissions from moving overseas.

6. Increase our energy and national security. The House bill provides the auto manufacturing retooling incentives and loan guarantees needed to achieve President Obama’s aggressive targets for cleaner, higher-mileage vehicles by the year 2016—targets that are expected to cut U.S. oil dependency by 1.4 million barrels a day by 2020, according to the Union of Concerned Scientists.³ The Senate can go even further to reduce our oil consumption with additional investments to build a clean and efficient transportation system.

For more information, please contact:

David Doniger or
 Antonia Herzog
 (202) 289-6868



Top 10 Reasons the Senate Should Pass Climate and Energy Legislation This Year

7. Be fair. We should use valuable carbon emission permits to achieve public benefits, not private windfalls. The House-passed bill uses allowances mainly to protect consumers of all incomes, deploy new clean energy technology, and assure the competitiveness of our industrial base. Over the life of the House bill, more than 80 percent of the permit value would go to public purposes like these, according to Harvard economist Robert Stavins.⁴ The Senate can improve on this, cutting costs and increasing consumer benefits by dedicating more of the permit value to money-saving energy efficiency investments.

8. Regulate markets. The House-passed bill includes strong safeguards to transparently and effectively regulate the market for trading greenhouse gas permits, as well as futures and other derivatives. The Senate can further strengthen these safeguards.

9. Balance the budget. Energy and climate legislation can be budget neutral. The House-passed bill will not increase the federal budget deficit, according to the Congressional Budget Office.

10. Lead. The worst impacts of global warming cannot be avoided without U.S. leadership, and the United States can't lead the necessary global effort without a strong commitment to reduce our own emissions before the international climate summit in Copenhagen this December.

Action to secure our economic, energy, and environmental future has already been delayed too long. The Senate needs to pass comprehensive energy and climate legislation this year.

¹ See http://docs.nrdc.org/globalWarming/files/glo_09062504a.pdf

² See <http://switchboard.nrdc.org/blogs/paltman/media/ACES%20white%20paper1.pdf>.

³ "Obama Clean Car Standards Deliver Massive Oil Savings," Union of Concerned Scientists, May 19, 2009. Available online at http://www.ucsusa.org/news/press_release/obama-clean-car-standards-2041.html.

⁴ Robert Stavins, "The Wonderful Politics of Cap-and-Trade: A Closer Look at Waxman-Markey," Harvard University, May 2009. Available online at <http://belfercenter.ksg.harvard.edu/analysis/stavins/?p=108>.