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Boucher Draft Energy Bill Not a Recipe for Clean Energy:

- Bush Plan better on global warming pollution than Boucher Draft
- Kills Clean Car standards in 12 or more states
- Guts Clean Air Act authority to set vehicle pollution standards

The draft energy bill fuels title circulated by the Energy & Commerce Committee is a direct assault on the Clean Air Act and on states' rights to address global warming pollution that reverses the Supreme Court decision in *Massachusetts v. EPA*. The bill's provisions to promote alternative fuels and fuel efficient vehicles also risk doing more harm than good by setting weak standards and failing to safeguard land, air and water quality. The bill is clearly in conflict with a clean energy agenda to solve global warming, and an unacceptable step backwards that is weaker than the President Bush's "20-in-10" plan, which he recently directed EPA to implement under existing Clean Air Act authority.

Overrides Supreme Court Decision. The proposed energy bill would legislatively override the recent Supreme Court decision in *Massachusetts v. EPA*, which affirmed EPA authority under the Clean Air Act (CAA) to regulate air pollution from motor vehicles, including greenhouse gases that cause global warming (section 722 (b),(c)). In response to this decision, President Bush recently directed EPA to use its existing Clean Air Act authority to implement his plan to raise vehicle efficiency by 4% per year and expand the use of alternative fuels to 35 billion gallons.

<u>Preempts States.</u> The bill would halt the progress states are making to address global warming pollution from vehicles by stripping California's ability to set tougher-than-federal standards, thereby preempting clean car standards adopted in 12 states that have followed California's lead and other states that are considering clean car standards (section 722 (d)).

We urge you to protect state and Clean Air Act authority by eliminating these provisions, and to oppose any legislation that would preempt, curtail or eliminate state or federal authority under the Clean Air Act and *Massachusetts v. EPA*.

Weak Vehicle and Fuel Standards. The bill sets unacceptably weak standards for vehicles and fuels that would not achieve adequate oil savings, pollution reduction or consumer savings benefits. The cleanest, fastest and most effective way to reduce oil dependence and global warming pollution from transportation activities is to raise vehicle fuel economy standards. However, this bill would set anemic vehicle standards compared with what is achievable with efficient technology available today, and provide no guarantee that these weak standards are met.

• The draft bill sets only nominal CAFE targets that provide no guarantee that fuel economy will increase under the current NHTSA standard setting process. Even if these targets are achieved, the bill would result in a mere 1.7% per year increase in fuel economy to 30.7 mpg by 2020 – substantially weaker than the recommendations of the National Academies of Sciences and the President's proposal of a 4% per year increase. And these anemic standards would still be subject to an existing CAFE loophole for flex fuel vehicles that would result in even weaker standards.

We urge you to support Rep. Markey's efforts to guarantee oil savings, global warming pollution reductions, and consumer benefits by requiring fuel economy improvement to at least 35 miles per gallon by 2018 – equivalent to 4% per year – without exception and without delay.

- The Alternative Fuel Standard opens the door to liquid coal fuels and other non-renewable alternatives, and fails to include safeguards to ensure that these fuels produce substantially less global warming pollution than the fuels we use today. Together with the liquid coal incentives in the broader bill, which lack clear limits on emissions, the bill would propel the development of a liquid coal fuels industry.
- The Low-Carbon Fuel Standard is a step in the right direction, but its benefits could be undermined by its failure to include jet fuel. Furthermore, the use of high-emission fuels under the Alternative Fuels Standard could force EPA to weaken the presumptive Low Carbon Fuel Standard.

We urge you to strengthen the fuels provisions of the bill by requiring all Alternative Fuels to produce at least 20% less global warming pollution than conventional fuels and by including jet fuel in the Low-Carbon Fuels Standard.

No Environmental Safeguards for Biofuels Ramp-up. The draft energy bill fails to include any environmental safeguards to protect air, land, and water quality as we dramatically expand biofuels and any other alternative fuel production. Forests, conservation lands, agricultural lands and waterways, here and abroad would be threatened by the resource pressures of a major increase in biofuels production in the U.S. To prevent unintended consequences and ensure biofuels result in environmental benefits, the bill should direct biomass production for biofuels toward agricultural lands and forest plantations already used or cleared for planting, and establish minimum environmental standards for biomass feedstock production.

We urge you to protect public health and the environment by including safeguards in the Alternative Fuel and Low Carbon Fuel Standards that 1) require that fuel feedstocks are not extracted from environmentally sensitive areas, 2) ensure that the standards not increase any air pollutant over the amounts currently attributable to gasoline, 3) direct EPA to conduct a study and report to Congress on the impacts of the standards, and give EPA authority to waive the standards if necessary until the impacts can be mitigated.

For more information, please contact Ann Bordetsky, abordetsky@nrdc.org, (202) 289-2364.