WELCOME CHANGE

An Assessment of the Obama Administration's First-Year Environmental Record

NRDC
THE EARTH'S BEST DEFENSE

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In his first year in office, President Barack Obama and his administration have taken a remarkable number of actions to address a wide variety of environmental challenges. From investing in clean energy technology through the stimulus bills to increasing energy efficiency, the Administration has done more in its first few months to protect our air, water and communities than we've seen in the last decade.

The hallmark of the administration's first year record was the decision to put the nation on a path toward a cleaner energy future. President Obama has pursued this course first by calling on Congress to pass far-reaching legislation that will address the climate crisis, create new jobs, and increase our energy security. The president and his cabinet have already moved ahead where the means exist to make progress. In the international arena, Obama has reestablished U.S. global leadership on the issue of climate change. While speaking at the United Nations climate summit in Copenhagen he emphasized that global climate change is a real threat and that America intends to fulfill its responsibility to address the problem.

President Obama has also made important progress across a range of environmental policies, in contrast to the previous administration, which was one of the worst on record. While much work remains to be done—and there are cases in which the administration has not gone as far we would have liked—the level of protection has been raised in many areas, damage from the previous administration has been reversed, and good policies already in place have been retained. This review focuses on those areas where protections have been improved in the past year and assesses where we stand going into 2010.

HIGHLIGHTS OF PRESIDENT OBAMA'S FIRST-YEAR ENVIRONMENTAL RECORD

What follows is a sample of the Obama administration's important progress during its first year.

REPOWERING AMERICA WITH A CLEAN ENERGY ECONOMY

One of the key ways to rejuvenate the U.S. economy and put the country on a path to sustainable prosperity is to redirect our energy policy away from a dependence on polluting fuels to the more efficient use of cleaner, domestic sources. The Obama administration understands this and quickly started work toward a clean energy future that will create millions of jobs while cutting our imports of foreign oil and bringing down the carbon pollution that contributes to dangerous climate change. President Obama has promoted a new energy economy domestically with a range of actions that include legislative proposals, fiscal and regulatory policies, and executive orders.

- **Boosting Investment in Clean Energy Jobs:** The president's American Recovery and Reinvestment Act of 2009, approved by Congress in early 2009, contained $50 billion for cleaner U.S. energy, greater energy efficiency, and domestic sources of renewable energy. The investment package included $5 billion for the Weatherization Assistance Program, $3.2 billion for Energy Efficiency and Conservation Block Grants, and $300 million for the Energy Efficient Appliance Rebate program and the Energy Star Program, as well as clean energy tax credits for homeowners.

- **Upgrading Efficiency Standards:** By issuing a new federal lighting standard for tube-shaped fluorescent bulbs, the Energy Department will save 11.3 quads of energy (equivalent to more than 3 trillion kWh), the single largest energy savings appliance standard ever enacted by the United States Department of Energy (DOE). The new standard will cut energy costs to consumers by $70 billion, and keep more than nine tons of mercury pollution out of the air over 30 years.

- **Prioritizing Sustainability:** President Obama issued an executive order in October setting sustainability goals for federal agencies, requiring them to set a 2020 greenhouse gas emissions reduction target; increase energy efficiency; reduce fleet petroleum consumption; conserve water; reduce waste; support sustainable communities; and leverage federal purchasing power to promote environmentally responsible products and technologies.

- **Confirming the Threat of Global Warming Pollution:** Responding to the Supreme Court's 2007 decision in Massachusetts v. EPA, the EPA issued a finding in December that the current and projected concentrations of six key greenhouse gases—carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF6)—in the atmosphere threaten the health and welfare of current and future generations. The EPA found the combined emissions from new motor vehicles and motor vehicle engines contribute to the atmospheric concentrations of these key greenhouse gases and hence to the threat of climate change.

- **Adopting Stringent National Vehicle Standards for Carbon Pollution and Fuel Economy:** President Obama announced the first-ever joint fuel economy/greenhouse gas emissions standards for cars and trucks in May, modeled on the California Clean Car standards. The new standards are projected to save 1.8 billion barrels of oil over the life of the program with a fuel economy gain averaging more than 5 percent per year and a reduction of approximately 900 million metric tons in greenhouse gas emissions. In June, the EPA also granted California its long awaited waiver, which allows the state to implement its Clean Car standards (also known as the "Pavley" standards).

- **Curbing Carbon Pollution:** Beginning in early 2010, new large or expanded power plants and factories will be required to apply the best available emissions control technology for carbon dioxide and other greenhouse gases. Under new rules to be implemented in March regulating vehicles' greenhouse gas emissions, the Clean Air Act also will automatically require carbon dioxide and other greenhouse gases to be controlled from power plants, factories and similar sources. The EPA will remain focused on the largest emitters and plans to set greenhouse gas performance standards for categories of new and existing sources, including power plants, oil refineries, and cement manufacturers in 2010.

- **Accelerating Development of High-Speed Intercity Rail:** President Obama has made high-speed rail one of his signature transportation issues, launching the first new visionary transportation infrastructure investment program since the Interstate Highway System was conceived 50 years ago.

- **Improving the Livability of Communities:** Seeking to break down barriers impeding collaboration between federal agencies, President Obama created a "Livability Partnership" with the Department of Housing and Urban Development, the Department of Transportation, and the Environmental Protection Agency. This effort is based on laudable principles, including providing more transportation choices, reducing emissions and pollution, and improving affordability of transportation. The partnership has ambitious goals, and is likely to expand to include other federal agencies.

- **Scientifically Assessing Role of Biofuels:** Both in proposing rules to implement the Renewable Fuel Standard and in not rushing to approve or reject the petition to allow mid-level ethanol blends, the EPA has followed the science. The proposed RFS rule includes full lifecycle accounting for the greenhouse gas emissions of different biofuels, and any final decision on mid-level blends needs to be informed by comprehensive and scientific testing of the fuel in a wide range of vehicles and engines.

PROTECTING THE PUBLIC'S AIR, WATER AND FOOD

Under the previous administration, scientific and legal issues were often overridden by political concerns, putting the public's health at risk from pollution. EPA Administrator Jackson has changed this course by putting into place needed environmental protections, subjecting many of the policies of the Bush administration to new scientific reviews, and dropping others of dubious legality.

- **Stemming Toxic Pollution from Power Plants**: The EPA agreed to adopt rules reducing toxic air pollution from the nation's coal- and oil-burning power plants by November 2011. In 2008, a federal appeals court unanimously rejected an effort from the Bush EPA to declare that mandated air pollution controls on these plants were simply not necessary or appropriate. Following that court victory, environmental and public health groups filed a lawsuit to compel the EPA to issue its long overdue toxic air regulations for power plants. The Obama EPA has agreed to issue regulations that will sharply reduce air toxins and soot pollution from power plants.

- **Limiting U.S. Pollution from Canadian Tar Sands:** In October, the Obama administration ordered the revision of a faulty air permit granted by Indiana to BP for the expansion of its Canadian tar sands refinery in Whiting, Indiana. NRDC and others had challenged the state-issued permit because it failed to take into account multiple sources of pollution. The EPA agreed, ordering Indiana to rewrite the permit to address that additional pollution.

- **Reducing Large Ship Emissions:** The EPA proposed a rule to reduce smog and soot pollution from large ships by more than 80 percent starting in 2015. This would help avoid approximately 13,000 to 33,000 premature deaths per year, according to the EPA, with a benefit-to-cost ratio of at least 30:1. Under the rule, all ships within 200 miles of the U.S. coast will have to use cleaner fuels and emission controls.

- **Improving Water and Wastewater Infrastructure:** The American Recovery and Reinvestment Act, signed by President Obama, contained $6 billion for improving the nation's water and wastewater infrastructure. The bill set aside 20 percent of the funding for water and energy efficiency and green infrastructure, which was continued in this year's appropriation bill.

- **Saving the Chesapeake Bay and Protecting Water Resources:** President Obama issued two executive orders with significant implications for water resources. The Chesapeake Bay Executive Order issued in May commits federal agencies to work together to restore the Bay and its watershed. It is the first-ever presidential directive on the Bay and has created momentum for cleanup at the state level and in Congress. The president's federal sustainability executive order issued in October also commits federal agencies to stringent standards for controlling stormwater pollution from all of its development and redevelopment projects.

- **Regulating Perchlorate:** The Obama EPA has initiated promulgation of a standard to regulate perchlorate in a way that protects the most vulnerable populations and is completely consistent with the methodology NRDC has been promoting for more than five years. In 2008, the Bush administration announced it would not set a drinking water standard for this harmful chemical.

- **Reconsidering Atrazine:** Atrazine is a dangerous herbicide that is pervasive in surface and groundwater in the Midwest. The EPA announced that it will reassess atrazine's toxicity and reconsider a decision made by the previous administration to deregulate the use of this harmful chemical.

- **Strengthening Chemical Testing:** For more than 30 years, the EPA has been unable to easily require testing of tens of thousands of chemicals for safety, or protect the public from those chemicals that are known or suspected of being unsafe, due to the weaknesses of the Toxic Substance Control Act (TSCA). This year, EPA Administrator Jackson announced a set of principles for Congress to consider as it develops legislation to finally reform and strengthen TSCA. The administration's principles provide an important first step towards substantive, effective reform. In addition, the EPA has announced plans to re-invigorate its use of existing authorities to address chemicals of concern, including developing Chemical Action Plans for a number of substances.

SAVING OUR OCEANS, WILDLIFE, AND WILDLANDS

President Obama has put in place a team of stewards for our natural resources who are charged with moving the nation away from the destructive extractive policies of the past to one based on sustainable management. While the Obama administration has left in place some of the unfortunate policies of the Bush administration, particularly on wolves and bears, most of its decisions to date point to a dramatic difference on natural resource protections.

- **Establishing a Comprehensive Oceans Policy**: President Obama issued a Presidential Memorandum in June 2009 calling for the development of a national oceans policy that ensures the protection, maintenance, and restoration of ocean, coastal, and Great Lakes ecosystems and the creation of a marine spatial planning framework to help implement that policy. He also established an Interagency Ocean Policy Task Force and set firm deadlines for the task force to report back to him. NRDC expects a final report to the president in February and hopes for implementing action by the president—possibly in the form of an executive order—shortly after.

- **Defending Marine Mammals from Lethal Sonar:** The National Oceanic and Atmospheric Administration is conducting a comprehensive review of all mitigation measures applicable to the Navy's use of mid-frequency sonar. These powerful sonar systems are known to injure and kill deep-diving whales and to cause widespread disruption in numerous whale, dolphin, and porpoise species off our coasts. NRDC has pressed NOAA to develop meaningful protections for wildlife, such as identifying important marine mammal habitat where sonar may not be used, and to use the current review as the basis for a new sonar policy. NOAA will submit its review to the Council on Environmental Quality.

- **Fighting for International Polar Bear Protections:** President Obama has proposed increased protections for polar bears under the Convention on International Trade in Endangered Species (CITES), by reclassifying the polar bear as an "Appendix I" species. If the proposal is approved this March 2010, when the full convention meets, it will strengthen international regulation of polar bear trophy hunting and ban the international commercial trade in polar bear parts.

- **Protecting Precious Wildlands from Destructive Drilling:** The Interior Department canceled the sale of 77 oil and gas leases in wilderness quality lands in Utah. The leases had been proposed by the Bush administration in red rock canyon country, including land near Arches and Canyonlands National Parks. The administration also canceled oil and gas lease sales in the treasured desert landscapes of Wyoming's Adobe Town.

- **Moving Back to Roadless Area Protection:** Secretary of Agriculture Tom Vilsack approved litigation decisions that will help to restore and defend the nationwide Roadless Rule, which protects large, untrammeled stretches of the National Forest System known as roadless areas. Vilsack also helped limit the damage done when Bush administration officials exempted America's largest national forest, the Tongass in southeast Alaska, from the Roadless Rule. He reassigned final approval over projects in Tongass roadless areas to his own office, taking it back from the U.S. Forest Service. The net effect of these moves leaves pristine national forest lands better protected across the country.

- **Curtailing Mountain Top Removal:** After eight years of the Bush administration not just refusing to rein in this destructive strip mining, but actually facilitating it through policy changes and lax enforcement, the Obama administration has begun to take positive steps toward curtailing mountaintop removal (MTR). Although the administration approved 42 of 48 MTR permits last spring, this fall the EPA cited water quality concerns in blocking 79 other pending MTR permits until it completes a more thorough environmental review of each proposed project. In addition, for the first time since Congress enacted the Clean Water Act in 1972, the EPA exerted its "veto" authority to revoke a previously permitted mining project—a proposed mine in West Virginia that would have been the largest mountaintop removal operation ever in Appalachia.

RESTORING U.S. LEADERSHIP ON INTERNATIONAL ISSUES

At the start of the Obama administration our nation's international prestige was lacking, with the consequence that the United States was not able to effectively advance its international interests. Global environmental needs went unattended. President Obama's policy of reengagement, ably led by Secretary Hillary Clinton, has been well received

around the world. This is especially true on climate policy where the president's special envoy, Todd Stern, spearheaded U.S. negotiations that were central to the global climate change agreement adopted by a margin of 188 to 5 at the United Nations climate change summit in Copenhagen in December. The summit included representatives from 193 countries and the leaders of 119. In addition, President Obama's productive discussions during his recent visit to China and the visit of Prime Minister Manmohan Singh of India to Washington are all indications of the greater importance of environmental issues on the international agenda.

- **Demonstrating Leadership and Commitment to Action in Copenhagen:** Obama's personal leadership was critical to securing the Copenhagen Accord. In 13 hours of concerted negotiations, he helped bridge key differences between developed and developing countries, including China and India. While there is still more work to be done, the accord is a good first step. It calls for countries to take action to mitigate carbon pollution to keep global average temperatures from rising by more than 2 degrees Celsius. It also provides guidelines for countries to share information in a transparent way to demonstrate whether carbon mitigation promises are kept and calls for a global fund that ramps up to $100 billion a year by 2020 to protect vulnerable communities and forests.

- **Partnering with China on Clean Energy Initiatives:** In parallel with the Copenhagen climate negotiations, the Obama administration has engaged with China to find areas for mutual cooperation on clean energy policy, standard setting, and technology development. During President Obama's visit to China in November, the countries announced a package of clean energy cooperation initiatives in several key areas: energy efficiency, renewable energy, electric vehicles, carbon capture and storage, a U.S.-China Clean Energy Research Center, and a U.S.-China Energy Cooperation Program intended to engage the private sector.

- **Unparalleled Cooperation between the United States and India on Climate and Energy:** The Obama administration stepped up dialogue with the Indian government on climate and energy, including during visits to India by Secretary of State Clinton and Secretary of Energy Chu, which resulted in a number of new agreements for expanded and new cooperation on these vital issues. These discussions continued during a high-level U.S.-India Energy Partnership Summit (co-sponsored by NRDC) in Washington in October, and culminated in the announcement of a Green Partnership between the two countries during the November state visit of Prime Minister Singh. The Green Partnership includes an agreement to enhance cooperation on Energy Security, Energy Efficiency, Clean Energy and Climate Change; an agreement on partnering on Solar and Wind Energy research; a resolution to undertake significant mitigation actions and to support a comprehensive outcome from Copenhagen; a resolution to reduce emissions from deforestation; and support from the U.S. Environmental Protection Agency to establish India's new National Environmental Protection Authority.

- **Launching a Latin American Partnership on Clean Energy:** During the Fifth Summit of the Americas in Port of Spain, Trinidad and Tobago, President Obama launched the Energy and Climate Partnership of the Americas (ECPA), which aims to deepen hemispheric cooperation on energy and climate change. The voluntary partnership will enhance collaboration on energy efficiency, renewable energy, cleaner fossil fuels, and infrastructure. As part of the ECPA, the Energy Department has already signed a Memorandum of Cooperation with Chile to provide renewable energy technical expertise and has led to the establishment of a Renewable Energy Center in Chile, with future energy centers expected in Peru and Mexico. The ECPA is a positive first step toward addressing the need for greater collaboration on clean and sustainable energy in Latin America as part of efforts to reduce greenhouse gas emissions in the region.

- **Curbing Nuclear Weapons and Proliferation:** The president moved swiftly to resume strategic arms reduction negotiations with Russia, and gave a major speech in Prague in April outlining a new approach to nuclear security. This approach, for the first time, explicitly links U.S. support for the goal of a world without nuclear weapons with a series of concrete steps toward that goal. President Obama aims to make further deep reductionsin nuclear stockpiles; wants prompt U.S. ratification and entry-into-force of the Comprehensive Test Ban Treaty outlawing nuclear explosions, and see a new global treaty barring the production of fissile materials for use in nuclear weapons.

- **Terminating the Near-Term U.S. Commercial Production of Plutonium:** In a major step forward for nuclear security and fiscal sanity, the Obama administration terminated the primary component of the prior administration's mostly misguided "Global Nuclear Energy Partnership." Known commonly as GNEP, this was a hugely expensive plan to initiate commercial-scale separation and use of plutonium—a primary ingredient of nuclear weapons—to partially fuel U.S. and foreign nuclear reactors. Because the more costly and proliferation-prone plutonium would merely substitute for safer existing uranium fuels, the GNEP commercial reprocessing plan would have cost taxpayers and ratepayers many tens of billions of dollars over the next 20 years without yielding a single kilowatt of additional low carbon electricity production.

- **Collaborating to Reduce Global Mercury Pollution:** Just a few weeks into the new administration, the State Department agreed with the United Nations to negotiate a legally binding instrument to control global mercury use and emissions, a complete shift from previous years of opposing negotiations on a binding agreement and only pushing for voluntary measures. The U.S. support was the primary catalyst for the negotiations now underway.

EXCELLENT APPOINTMENTS

President Obama started his administration with a series of excellent appointments, setting a strong foundation for environmental progress. In some ways, the shift in the style of governing is as notable as some of the specific policy changes referenced here. President Obama has reinstated the rule of law and role of science in decision making and has installed a top-notch environmental team. This policy leadership starts in the White House where Carol Browner serves as the Assistant to the President for Energy and Climate. She is joined in the White House by Nancy Sutley, the Chair of the White House Council on Environmental Quality, who brings to the administration experience at every level of government; and Dr. John Holdren, a world-class scientist and energy expert, who serves as the director of the White House Office of Science and Technology Policy.

The Obama cabinet is also brimming with talent. As head of the Environmental Protection Agency (EPA), Lisa Jackson is reviewing and reversing many of the positions of the Bush administration that lacked legal or scientific basis, putting protection of human health first. Nobel Prize winner Dr. Steven Chu, who heads the Energy Department, has taken very seriously the task of turning clean energy theory into actual jobs. Energy policy gets further attention from Secretary of Transportation, Ray LaHood, a former Republican congressman from Illinois who is steering transportation policy in a new direction, and Ken Salazar, who intends to move the Department of Interior away from the old extractive policies of the past to a new and renewable energy future. Secretary of Agriculture Tom Vilsack has the farsighted view of how to make agriculture policy in America more sustainable and finally, Dr. Jane Lubchenco, as director of the National Oceanic and Atmospheric Administration, is using her substantial scientific expertise to chart a fresh, new course for protecting the world's fragile oceans.

LOOKING AHEAD: EXPECTATIONS FOR 2010

While President Obama has created an impressive record of achievement on environmental issues to date, there is still room to grow. As the president moves into his second year at the White House, there remains a long list of challenges and opportunities on the environment. At the top of the list is the need to continue to push Congress to pass comprehensive clean energy and climate legislation, as well as a sound transportation policy. Passing these bills will literally move America into a new direction on energy security. Internationally, the Obama administration will need to continue to engage with other countries to forge a strong binding global agreement on climate change, including increasing the transparency, verification and enforcement of carbon pollution reduction efforts. NRDC will continue to work closely with the administration to ensure actions that protect America's natural resources and public health, and that set our country on a clear path toward a cleaner, more secure and sustainable future.