



## Does the Climate Bill Have a Shot?

May 14, 2010 [Megan Harris](#)

In the aftermath of the Gulf spill, the climate draft bill that Senators John Kerry (D-MA) and Joseph Lieberman (I-CT) introduced in the Senate yesterday faces an uphill battle to secure 60 votes. Nevertheless, supporters of the bill remain hopeful. In a media teleconference yesterday, fishermen and others affected by offshore drilling in the Pacific Northwest, Alaska and the Gulf Coast expressed their desire to use the Gulf oil accident and other oil spills as a catalyst to move away from fossil fuels.

“The bottom line is it’s past time for the Senate to be addressing this in a comprehensive way,” Ross Macfarlane of Climate Solutions, a non-profit in Olympia, Washington, told *The Faster Times*. Macfarlane said that analysis of some amendments will continue, but that he is pleased with the state veto option on offshore, adding that the offshore drilling provisions are still in process and “don’t reflect the change of public opinion from the recent accident.”

Uproar over expanding offshore drilling arose after the Deepwater Horizon accident in the Gulf of Mexico last month, but the bill’s offshore provisions are viewed as a necessary evil by environmental advocates eager to see a price put on carbon through a cap and trade mechanism — which they believe will act as a trigger to launch a transition to a clean energy economy.

The current legislation contains provisions to levy taxes on imports from non-carbon taxing countries, but this breaks World Trade Organization rules, critics warn. Further, free market proponents, such as the Cato Institute’s Will Wilkerson, argue that cap and trade will result in higher costs to consumers and significant reduction in GDP growth, according to [this article](#) from October 7, 2009.

Joshua Freed, Director of the Clean Energy Initiative at The Third Way, a progressive think tank in Washington, D.C., told *The Faster Times* in a phone interview that a climate change bill is needed now if the U.S. wants to stay competitive. He notes that China is likely to put a price on carbon within the next five years.

“The mechanism is less important than putting a real cost on carbon pollution,” Freed said. “This is a very good first step. We need to take into account its ability to reduce

pollution and to make sure it doesn't have an adverse impact on consumers and the economy. They've set two really ambitious and realistic targets: 17 percent (reduction on greenhouse gases below 2005 levels by 2020) and 80 percent (below 2005 levels by 2050)."

The mechanism itself is likely to undergo negotiations in order to get 60 votes. Freed told *The Faster Times* that between 10 and 15 Senators are on the fence, with concerns ranging from the impact on the coal and natural gas industries to how offshore drilling might affect tourism.

As for the bill's chances of passing, Freed said it depends on how willing those senators are to make deals. "I think you may see some concessions around natural gas, which is critically important from a job creation perspective and also as a domestic energy source," Freed said. "And you could see additional movement around how money generated from the (carbon permit) auction is distributed. I think the issue of offshore drilling is going to become more and more tricky."

"Let's be realistic — time and the politics of the moment are against us, but there's an urgency to this — an economic and a national security urgency and a climate urgency to do this now," Freed continued. "I think it made sense for Senators Lieberman and Kerry to move forward with it."

For offshore to be included in the bill, a full audit of existing rigs is needed, according to Brent Budowski, a former Congressional aide who blogs at *The Hill*.

"What needs to be done today is a complete safety audit ... and a comprehensive check on the status of safety requirements on all pending operations to ensure there are no more waivers or escapes or excuses from any required permit," Budowski told *The Faster Times*. Budowski referred to [today's lead story in the NY Times](#) that suggests President Obama systematically waived permit requirements for oil companies. He added that it's necessary to find out the status of all rigs operating offshore that may have a faulty blowout preventer or less than stellar rate of success "so we know the magnitude of the danger before any more offshore is considered."

[An op-ed in the Los Angeles Times today from Peter Van Doren and Jerry Taylor](#) of the Cato Institute argues against knee-jerk reactions to the oil spill, however, and points out that regulation may not be the answer.

Budowski blames the situation in the Gulf on both political parties and calls it "a bipartisan Katrina." He thinks the climate bill is a good first step, but decries the lack of vision among the political leadership. "The problem that we have in the US and in Europe and Asian democracies is an inability to think big — a mediocrity of policy in relation to the problem," Budowski said.

For his part, Budowski is calling for a massive effort for conservation and efficiency as well as a 100 mpg efficiency standard for cars. He notes that the latest poll shows 60

percent approval of more offshore drilling, but said there will be lengthy negotiations over all aspects of this bill. “The moving target is what happens with this oil spill that we’ve got,” Budowski said. “The probability is that we are just at the beginning of it.”

While Budowski thinks a vote won’t occur until after the election or early next year, Freed suggested a vote could happen anytime before Congress goes out of session essentially in October, depending on the votes.

Budowski’s 100 mpg idea may seem far-fetched considering that Congress raised the efficiency standard to 35 mpg (a fleetwide average by 2020) in 2007. But by providing the right tax incentives, it would pay for itself and create an army of jobs, he asserts. He’s been suggesting the idea in Washington for three years. “Maybe some guy in Paris is whispering in the ear of (President Nicolas) Sarkozy or (Angela) Merkel or (David) Cameron just like I’m doing here. The first nation that comes out and does this would have a competitive advantage and that would invite other nations to join in.”

Photo by [kevindooley](#)