

Clip report for US Climate Action: A Global Economic Perspective



THE POLITICS AND BUSINESS OF CLIMATE CHANGE



THE BUSINESS INSIDER



The Washington Post

[Europe Advises U.S. Officials on Climate](#)

By Juliet Eilperin
Washington Post Staff Writer
Friday, March 6, 2009; A04

A clutch of leading international climate officials and negotiators who descended on Washington this week to press the United States for action on global warming say they got a clear message from the Obama administration and key lawmakers: The question now is not whether the nation will act, but how.

With a new president who has made enacting a cap-and-trade bill one of his top domestic priorities, legislators who will help shape it have begun grappling with the complexity of putting a price on carbon, which would raise energy prices, in the midst of an economic crisis. Behind closed doors, they peppered the foreign leaders and economists, who have years of real-world experience with the issue, with questions about how to make such a system work.

"Are we going to be bold enough? It's premature to decide that," said Sen. Mark Begich (D-Alaska), one of 15 senators who breakfasted with the Europeans and U.S. energy and high-tech executives Wednesday morning. "The devil's in the details. But if we don't set goals and timelines, then I think we're fooling ourselves."

Even the Senate Republican steering committee -- the chamber's conservative wing -- held a lunch Wednesday focused on climate and energy issues, with several members debating how best they can shape global warming legislation they now see as likely to pass.

"It's gone from last year and Republicans just wanting to defeat it to 'Let's make sure what happens is something that does not damage the economy and hurt hardworking Americans,' " said [Sen. Bob Corker](#) (R-Tenn.), who attended the breakfast with Begich and who supports imposing a carbon tax and returning the proceeds to taxpayers.

Former British prime minister Tony Blair, in town for a Capitol Hill conference titled "U.S. Climate Action: A Global Economic Perspective," said industrialized and developing countries alike have embraced the idea of curtailing emissions linked to climate change.

"In a way, we've all taken the decision to act," Blair said, but "there are really tough practical challenges that come with that."

With Americans just beginning to sort out how to proceed, the Europeans began what Denmark's climate and energy minister Connie Hedegaard described as "a concerted effort" to give U.S. officials a crash course. Along with Edward Miliband, Britain's secretary of state for energy and climate change; Yvo de Boer, the top U.N. climate official; and Janusz Reiter, Poland's ambassador-at-large for climate change, Hedegaard devoted much of the week to briefing the

administration and members of Congress on how other countries have imposed carbon limits, and the difficulties they have faced in making them stick.

"This is a critical place to be because the [Obama] administration is in place, but it hasn't set yet," said de Boer, who is managing negotiations for a new climate treaty to replace the 1997 Kyoto Protocol, which the United States rejected.

The foreign visitors paid special attention to Congress, since any climate bill passed this year will help determine the U.S. position when negotiators meet in Copenhagen in December to hammer out a new treaty. The Senate would have to ratify any pact the administration agrees to there.

As Hedegaard put it: "There is a recognition that your Congress, your elected people, will have to buy into whatever solution will be found. . . . That's why we're all here, to try to make it as ambitious as possible."

[Sen. Olympia Snowe](#) (R-Maine) said the Europeans provided valuable advice -- "They gave definitive evidence of what worked, what didn't and why" -- but some conservatives who attended the meetings said Europe had made critical mistakes, such as miscalculating how many carbon allowances to hand out to emitters, and had largely failed to meet its Kyoto targets. Rep. Steve Scalise (R-La.), a member of the House energy and environment subcommittee, said, "We've got to be careful that we don't commit to anything that has unrealistic targets."

"The only thing that's been demonstrated to reduce emissions is economic collapse," said Myron Ebell, director of energy and global warming policy at the libertarian Competitive Enterprise Institute.

Canadian Environment Minister Jim Prentice, who also held meetings in Washington this week on climate and clean energy, said his government has rules in place to reduce global warming pollution, but it was hard to curb emissions when "our closest trading partner, that is the United States, was not proceeding with any regulations."

Some Eastern European countries that, like the United States, depend heavily on coal are wary of endorsing overly ambitious targets in the current economic crunch. Reiter, who was Poland's U.S. ambassador before returning home to work on climate issues, said he used to see "a convergence between Europe and the U.S. on pessimism. Now there's a convergence between Europe and the U.S. on optimism. Maybe what we need is a convergence on realism, because we can't ignore the realities, including the political realities."

But the most aggressive proponents of action on global warming, such as Miliband, focused on the argument that the United States cannot afford to opt out of what he called the "low-carbon race" other nations have already started. "It's very important that the U.K. and the U.S. don't get left behind in that race," he said.

The American politicians, for their part, were more focused on job creation.

"The only thing that is going to get this passed in the United States is for real people to understand what this means to them -- this is about jobs," said Michigan Gov. Jennifer Granholm (D). "They don't care so much about carbon or greenhouse gases or carbon sequestration. They want to know: Is this going to be a job for them?"



[Responsible U.S. climate policy called to create more jobs, recover economy](#)

Over 10 U.S. senators, governors, business leaders and international experts met Tuesday in the Capitol to discuss the prospects for U.S. domestic action on climate change, calling for "responsibly-designed" national climate policy to create more jobs and recover the stumbling economy.

Many of the participants stressed that action to reduce green house gas emissions should not be delayed by the global economic downturn because it provides an opportunity to lay the foundation for sustainable recovery based on low-carbon growth.

"A responsibly-designed national climate policy will create economic opportunities and jobs and spur investment in low-carbon technologies that will make U.S. businesses more competitive," Senator Jeff Bingaman said at the symposium, "U.S. Climate Action: A Global Economic Perspective," convened by Senator Bingaman, John McCain, Olympia Snowe and Debbie Stabenow.

"The cost of climate policy can be mitigated with the right policy measures, and we need to move ahead with both energy policies and a national cap and trade program to sustain these investments."

Senator Stabenow said "for me, the bottom-line of any future climate change bill must be jobs. Climate policy can help rebuild the middle class and create jobs in states like Michigan where we have the manufacturing base and engineering know-how to produce the new technology that will be needed."

Former British Prime Minister Tony Blair argued that the leading economic powers around the world now understand the significant risks of climate change and appreciate that the best way to minimize the dangers is by investing in a low-carbon economy.

Blair said the U.S. can send an important signal to the world about the importance they place on tackling global climate change through the progress it makes on its domestic climate policy over the next few months.

Governor Jim Doyle of Wisconsin, Jennifer Granholm of Michigan and Timothy Kaine of Virginia provided their perspectives on the impact of climate policy on regional competitiveness, particularly with respect to impact on U.S. jobs.

"In Michigan our top priority is growing the economy and creating jobs and that is why comprehensive climate change legislation is important to our state," said Granholm. "Not only will this legislation advance clean energy technologies that reduce U.S. dependence on foreign oil, it will create millions of new green jobs, and protect our natural resources and that is critical for a state like Michigan that has lost hundreds of thousands of manufacturing jobs."

There was strong agreement about the importance of boosting economic growth and combating climate change at the same time, and participants recognized that low-carbon investments will not only be good for jobs and economic recovery but will also improve the country's energy security and begin to cut its greenhouse gas emissions.



[Climate treaty negotiators urge Congress to act](#)

By DINA CAPPIELLO

WASHINGTON (AP) — Negotiators for a new global warming treaty pressed Congress on Tuesday to approve legislation this year to reduce U.S. emissions of greenhouse gases.

Todd Stern, the chief U.S. climate negotiator, was among those calling for a new law to be enacted before treaty talks begin in December in Copenhagen, Denmark.

"The optimum would be legislation that is signed, sealed and delivered," said Stern, who was appointed by Secretary of State Hillary Rodham Clinton as the U.S. envoy for climate negotiations.

"It's been a long time now that countries have been looking for the United States to lead and take action," Stern said. "I think nothing would give a more powerful signal to other countries in the world than to see a significant, major, mandatory American plan."

Stern's comments were echoed by international leaders attending a symposium in Washington on climate policy. These leaders urged the U.S. to act despite a faltering economy.

"We are also being provided with an opportunity now to rethink business as usual," said Connie Hedegaard, the Danish minister for climate and energy. "Tackling global challenges, like that of the economy, we cannot do that without the United States. So we need the U.S. to engage."

The Bush administration pulled out of the last global climate change treaty, the 1997 Kyoto Protocol, citing a lack of participation by developing countries and potential harm to the U.S. economy. In the late 1990s, during the Clinton administration, the Senate balked at ratifying the agreement.

All eyes are now on the Obama administration. Stern summarized the new president's position in two words: "We're back."

Even Stern acknowledged that a climate bill by year's end was a tall order.

House Democratic leaders are planning to take up legislation setting up a mandatory cap and trade system for greenhouse emissions sometime this summer. Senate Majority Leader Harry Reid has said he would like the Senate to vote on a bill after the August recess.

Under cap-and-trade, the government would establish a market for carbon dioxide by selling credits to companies that emit greenhouse gases. The companies can then invest in technologies to reduce emissions to reach a certain target or buy credits from other companies who already have met their emission reduction goals.

President Barack Obama has called for an 83 percent reduction in greenhouse gases from 2005 levels by the year 2050 using cap-and-trade. His recently released budget banks on raising \$646 billion in revenues from 2012 to 2019 from auctioning emission credits to companies. The money would fund renewable energy projects and provide a tax credit to help families cope with higher energy prices.

But there is widespread dispute over the details of how cap and trade would work, with critics saying it would lead to higher costs for American consumers and could hurt an already bruised economy.

Duke Energy Corp. CEO Jim Rogers, a supporter of cap and trade legislation, previewed the debate to come. He said the Obama administration should redirect all money from the sale of credits to solving the "ecological crisis of our time."

Rogers said that as written now, Obama's budget would transfer wealth from the Southeastern and Midwestern states that depend more on coal for energy to coastal states where other fuels are used to produce electricity.

The Washington Post

[Eye Opener: March 4, 2009](#)

Climate Official Urges Congress To Curb Greenhouse-Gas Emissions: [In today's Wall Street Journal](#), Stephen Power reports that President Obama's special envoy for climate change, Todd Stern told a global warming conference that "It's been a long time now that countries have been looking to the U.S. to lead." More: "Mr. Stern acknowledged that passage of climate-change legislation before December would be 'an extremely tall order,' but added that 'nothing would give a more powerful signal to other countries than to see a significant, major, mandatory plan' from the U.S. before the start of international talks that are intended to forge a successor to the 1997 Kyoto Protocol, which committed many industrialized nations to cutting their emissions."

Richmond Times-Dispatch

[Kaine urges mutual action at climate symposium in Washington](#)

By [STAFF REPORTS](#)

Published: March 4, 2009

Gov. Timothy M. Kaine was on Capitol Hill yesterday to take part in a one-day symposium on climate change, along with former British Prime Minister Tony Blair, senators, fellow governors, business leaders and academics.

"We know that the issues around global warming and climate change reach across party lines and across national boundaries, across state borders and communities," Kaine said in a statement.

"That's why we must work together on global solutions as well."

The symposium, "U.S. Climate Action: A Global Economic Perspective," was organized by three Washington think tanks and the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science.

Kaine's Renew Virginia agenda met with mixed results in the recently concluded General Assembly session.

Also yesterday, Lt. Gov. Bill Bolling urged the federal government to move forward with the lease sale for offshore oil and gas development off the coast of Virginia.

Last month, Kaine had urged Interior Secretary Ken Salazar to put off the lease sale, writing that: "our policies do not support exploration for oil or production of gas or oil."

In his own letter to Salazar, Bolling wrote that: "proceeding with this lease sale is essential to furthering Virginia's efforts to develop our offshore energy resources." -- Andrew Cain



(Xinhua)

Responsible U.S. climate policy called to create more jobs, recover economy

WASHINGTON, March 3 (Xinhua) -- Over 10 U.S. senators, governors, business leaders and international experts met Tuesday in the Capitol to discuss the prospects for U.S. domestic action on climate change, calling for "responsibly-designed" national climate policy to create more jobs and recover the stumbling economy.

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"The cost of climate policy can be mitigated with the right policy measures, and we need to move ahead with both energy policies and a national cap and trade program to sustain these investments."

Senator Stabenow said "for me, the bottom-line of any future climate change bill must be jobs. Climate policy can help rebuild the middle class and create jobs in states like Michigan where we have the manufacturing base and engineering know-how to produce the new technology that will be needed."

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[Obama's Climate Exchange Is A Gift To GE \(GE\)](#)

[Joe Weisenthal](#) | Mar. 4, 2009, 8:51 AM |  5

GE needs all the help it can get right now, with its stock hurtling closer towards \$0 on a daily basis. The company obviously stands to benefit from infrastructure buildout, and from capturing its share of green (energy) dollars. The more wind-turbines we erect, the better for GE.

But there's a nexus between its green ambitions and its finance unit in the form of a new venture called Greenhouse Gas Services, which will facilitate the trade of carbon tax credits.

Thus as [Tim Carney](#)* notes, GE has been lobbying heavily for a cap-and-trade system, rather than a straight tax system which wouldn't require a market. And of course they got their wish:

GE — a member of the U.S. Climate Action Partnership, which advocates cap and trade — leads the push for greenhouse gas restrictions.

In the fourth quarter of 2008 as the company's stock fell 30 percent, GE spent \$4.26 million on lobbying — that's \$46,304 each day, including weekends, Thanksgiving and Christmas. In 2008, the company spent a grand total of \$18.66 million on lobbying.

Reviewing their lobbying filings, you might think you were looking at Al Gore's agenda. GE's specific lobbying issues included the "Climate Stewardship Act," "Electric Utility Cap and Trade Act," "Global Warming Reduction Act," "Federal Government Greenhouse Gas Registry Act," "Low Carbon Economy Act," and "Lieberman-Warner Climate Security Act."

Of course, this market won't really get going until 2012, so hopefully GE will still be around in its current form to see all the lobbying pay off.

* Yes, John Carney's brother, blah blah, etc.



[California Dreaming: Team Obama May Not Grant Emissions Waiver, Granholm Says](#)

Posted by Keith Johnson

Stephen Power reports:

Will the Obama administration grant California's wish to toughen auto-emission standards? It may not be a sure thing.

Michigan Gov. Jennifer Granholm said Tuesday she is "not sure" the Obama administration will let California regulate automobile greenhouse-gas emissions and said she believes the administration would prefer a single national standard governing the industry's fuel economy and emissions levels.

Ms. Granholm, who was at the U.S. Capitol Tuesday for a conference on climate change, was responding to a reporter's question about how a decision by the administration to allow California to regulate automobile greenhouse gas emissions would affect Michigan, which has one of the highest unemployment rates in the nation and is home to ailing auto giants General Motors Corp., Ford Motor Co., and Chrysler LLC. Automakers reported [dismal February sales](#) numbers again Tuesday.

"I'm not sure they will," Ms. Granholm said. "I think there's an interest in making sure there's a unified standard," she said.

Ms. Granholm's comments are significant because she is a close political ally of Mr. Obama. Thursday, the Environmental Protection Agency is scheduled to hold a public hearing on California's application for a waiver from the federal Clean Act that would allow it to enforce a 2002 state law that calls on automakers to sharply reduce their greenhouse gas emissions.

Auto makers have opposed the law on the grounds that it would be tantamount to letting states regulate fuel economy, traditionally a federal responsibility. Under President Bush, the EPA [denied](#) California a waiver, a decision Mr. Obama directed the EPA to [reconsider](#) shortly after taking office.

The new EPA has repeatedly indicated its [willingness](#) to roll back [Bush-era decisions](#), and administration officials such as climate-and-energy boss Carol Browner and EPA chief Lisa Jackson are proponents of letting California tighten emissions rules.

Ms. Granholm, who was on her way to a meeting with Treasury Department officials and other members of Mr. Obama's administration considering ways to help GM and Chrysler, didn't elaborate on why she thinks Mr. Obama's aides would prefer a national standard on automobile greenhouse gas emissions.

She added that allowing the carmakers to go into bankruptcy would be "a terrible option" because many car buyers would be reluctant to buy vehicles from a bankrupt company.



[Granholm focuses on green jobs](#)

By DAVID EGGERT

7:50 PM CST, March 3, 2009

Gov. Jennifer Granholm is pushing hard this week to plug Michigan's flagging economy into alternative energy.

The Democratic governor was in Washington, D.C., Tuesday for a climate change symposium led by former British Prime Minister Tony Blair. Experts at the event focused on adding jobs through U.S. climate change policies.

A wind energy conference was held in Detroit Tuesday and will continue Wednesday.

And Thursday, Granholm will speak at a conference at the University of Michigan about low-carbon manufacturing in the Midwest. Senior executives from Ford, Whirlpool and advanced battery companies also plan to speak at the event held in partnership with the Royal Danish Embassy and The Climate Group.

Granholm praised Denmark for focusing on the renewable energy industry to lower its unemployment rate. She plans to sign an agreement with Denmark's climate and energy minister to work together to create a "low-carbon economy."

"The point of this is really to focus on how we can really put the pedal to the metal, especially with the stimulus and the fact there is an incoming energy bill which will create policy that will generate jobs," she told The Associated Press in a phone interview.

Also Tuesday, state lawmakers announced bipartisan legislation to offer another \$200 million in

tax breaks to encourage the development of advanced battery technology in Michigan. Granholm signed a law in January offering \$335 million in refundable tax credits for developing, manufacturing and assembling the batteries at the heart of next-generation electric vehicles.

The governor said the biggest barrier to growing the renewable energy industry is banks that refuse to lend money.

"A lot of wind turbine manufacturers have put their plans on hold," Granholm said.

But she expects the financial industry to rebound and said she is excited that both the state and federal governments are investing more in renewable energy and the "green" economy. She cited the federal stimulus, especially the chance to compete with other states for \$2 billion in grants for advanced batteries for electric vehicles.

"We intend to take advantage of every bit of it," Granholm said.

Asked about the extra costs of electricity generated by wind and solar as opposed to traditional fossil fuels, Granholm said they will be offset by weatherization and energy-efficiency programs. She also encouraged utilities to pursue technology to bury carbon dioxide from power plants deep beneath the ground.

Critics complain that businesses and residents could lose out if they have higher energy costs, while others say good-paying jobs are available at wind turbine companies and the like.

Consumers Energy, the state's second-biggest utility, said Tuesday it was inviting companies to submit bids to participate in new energy-efficiency programs expected to start up later this year.

The Jackson-based utility said hundreds of jobs will be added in energy auditing, equipment installation and other areas.



[Obama's hidden bailout of General Electric](#)

By [Timothy P. Carney](#)

Examiner Columnist 3/4/09

While many companies hire lobbyists to win earmarks, General Electric's unmatched lobbying force has secured a tax increase — or its equivalent — in President Barack Obama's budget.

Labeled "climate revenues" and totaling \$646 billion over eight years, this line item in Obama's budget has inspired confidence in GE Chief Executive Officer Jeff Immelt. As Immelt put it in a

letter this week, he believes that the Obama administration will be a profitable “financier” and “key partner.”

On page 115 of Obama’s fiscal 2010 budget is Table S-2, titled “Effect of Budget Proposals on Projected Deficits.” The chart forecasts the costs of Obama’s spending proposals and the added revenue of his proposed tax increases. It also forecasts, beginning in 2012, billions of dollars a year in “climate revenues.” This budget line, which has struck fear into some lawmakers from coal-dependent states, could spell salvation for GE in these times of uncertainty.

How can Obama generate “climate revenues”? By forcing companies to pay for the right to emit greenhouse gases such as carbon dioxide.

A tax on greenhouse gas emissions could accomplish this, but Obama’s preferred policy — and the approach embraced by a few congressional bills in recent years — is called “cap and trade.” In short, cap and trade requires businesses to spend “credits” to pay for their emissions. Businesses can buy or sell these credits, and the market — not the government — would directly set the price of a credit. Government would initially auction them off, generating revenue.

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This isn’t altruism or public relations. GE has started a joint venture called Greenhouse Gas Services, which invests in — and hopes to manage the trade in — greenhouse gas credits. But these investments and this trading floor are of basically no use and nearly no value without government restrictions on greenhouse gases.

Hence the lobbying, buttressed by generous campaign contributions: Employees and executives gave \$1.35 million to politicians in the past election while GE’s political action committee shelled out \$1.55 million. About 64 percent of this \$2.9 million went to Democrats, with Obama easily the top recipient of GE money.

Obama’s budget includes the payoff, promising to start a multibillion-dollar greenhouse gas industry by 2012. In a letter this week, GE’S Immelt told shareholders that current events present an “opportunity of a lifetime,” because “capitalism will be ‘reset.’ ”

Immelt wrote: “The interaction between government and business will change forever. In a reset economy, the government will be a regulator; and also an industry policy champion, a financier, and a key partner.”

In short, GE plans to get rich by being one of the government’s closest partners — which it has always been, thanks to its unmatched lobbying efforts.

The environmentalist at this point might respond, “Well, good for GE. if they can get rich while helping the planet, more power to them.” But this ignores important issues. First, restraining greenhouse gas emissions will cost Americans dearly. Gas, electricity and heating prices will all go up. The prices of manufactured and shipped goods will go up. A Clemson University report on similar cap-and-trade proposals forecast a 1 percent decline in the U.S. gross domestic product by 2015 if they were implemented.

There are environmental costs, also, to such a focus on greenhouse gases: Ethanol’s damage to water supplies, soil health and air quality are the fruit of government pushing the product as a climate-friendly fuel.

When the lobbying fingerprints of GE and other well-connected firms are considered, it’s not hard to conclude that the policy that will finally emerge won’t be the one that is best for the planet and least bad for the economy, but the one that is best for General Electric.



[The British are coming \(with encouragement to reduce carbon emissions\)](#)

By Sasha Issenberg March 3, 2009 01:32 PM

WASHINGTON -- Barack Obama posed for pictures alongside Gordon Brown. John McCain met with Tony Blair. Ed Markey was briefed by Ed Milliband.

In today’s British Invasion of Washington, Markey’s guest -- Brown’s secretary of state for energy and climate change -- may have been the least prestigious, but carried his own particular power of suasion. The Massachusetts congressman chairs a shiny select committee on global warming, and is embarking on its first major quest: trying to pass environmental legislation in time for a December conference in Copenhagen intended to draw up a new international agreement to lower emissions.

"It's obvious that the rest of the world has been waiting for the United States to take over leadership on this issue," Markey said at a press conference. "Until we act, a lot of people won't act."

Milliband was on Capitol Hill with Danish climate minister Connie Hedegaard, largely to reaffirm those global expectations. Both voiced optimism at Obama's promise to take climate issues more seriously than his predecessor did and encouraged Congress to think of the moment as "an opportunity to rethink business as usual," as Hedegaard put it.

"It's right to say that Europe has a palpable sense of new American leadership," said Milliband. "This is an economic crisis that we face politically. The wrong thing would be to say that you can't tackle the economic crisis at the same time as tackling the climate crisis."

Markey and Congressman Henry Waxman, chairman of the House Committee on Energy and Commerce, said they expect to be able to pass a bill by the end of the year, using Obama's targets and proposed cap-and-trade system as a guide.



Granholm focuses on green jobs

By DAVID EGGERT | Associated Press Writer

8:50 PM EST, March 3, 2009

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[Doyle embraces cap and trade](#)

Regional plan is full steam ahead, he says

By [Diana Marrero](#) of the Journal Sentinel

Posted: Mar. 3, 2009

Washington - Just over a year ago, a group of Midwestern governors assembled in Milwaukee to start coming up with a regional strategy for curbing greenhouse gas emissions. They said they were acting out of frustration with Washington's inaction on global warming.

Despite signals that a federal cap and trade system to curb emissions could be on the horizon, Gov. Jim Doyle said Tuesday that a regional plan for the Midwest won't lose any momentum - for now.

"When we undertook this, we understood that a national cap and trade system was far preferable," he said at a climate change symposium on Capitol Hill. "But we didn't want to be totally inactive. I hope that as Congress now moves forward with that we will be able to share what we have been doing with Congress."

In Washington for a series of energy and climate change meetings, Doyle said he and other Midwestern governors would keep working "full steam ahead" on a regional approach that eventually could be melded with a federal cap and trade system. Doyle was one of three governors at the symposium, which drew former U.K. Prime Minister Tony Blair as well as other international and national leaders.

The renewed focus on climate change among U.S. policy leaders comes amid a worldwide recession. Opponents of climate change legislation say U.S. regulations to curb emissions would hurt an already fragile national economy and would put the country at a competitive disadvantage against emerging countries such as China and India.

Supporters say a cap and trade system in the U.S. could spur growth in "green" jobs and serve as a key step for organizing a global effort to address climate change.

Doyle, who has become a leading proponent of cap and trade, said Tuesday that the Midwest needs to continue to be involved in setting up rules governing such a system to make sure that manufacturers and others in the region aren't disproportionately hurt by new regulations.

Although the Midwest is more reliant on manufacturing and coal-fired power plants than many parts of the country, a move to curb carbon emissions doesn't have to shock ratepayers or manufacturers in Wisconsin through higher prices if done right, he said.

Not everyone is buying Doyle's arguments. U.S. Rep. Jim Sensenbrenner, a Menomonee Falls Republican, said there's no such thing as a "little cap and tax," and that any system meant to

discourage carbon emissions would lead to drastic increases in electricity rates for Wisconsin residents and businesses.

"It's like being a little bit pregnant," he said, arguing that the cap and trade system in Europe has severely hindered the manufacturing industry there.

Sensenbrenner said he was slated to attend the symposium but refused to go after organizers denied his request to offer an opposing viewpoint during a climate change panel discussion.

"I figured it was a waste of time," he said. "This is a propaganda forum."

The symposium was geared to focusing attention on climate change as Congress gets ready to work on a cap and trade bill that stands a better shot at passing than in previous years with George W. Bush in the White House. President Barack Obama has recently called for such a system.

Governors in the West and Northeast also have been working on regional approaches to climate change, with a cap and trade system already up and running in the Northeast.

A task force working on the Midwest initiative plans to unveil policy proposals in the next several months, Doyle said.

After the symposium, Doyle met with Energy Secretary Steven Chu to talk about how Wisconsin could use some of the federal funds available through the economic stimulus plan for alternative energy projects.

He also met with Environmental Protection Agency Administrator Lisa Jackson and Carol Browner, a top Obama aide on energy and climate change.

On Monday, he discussed rural clean energy projects with Agriculture Secretary Tom Vilsack.

During his meeting with Chu, Doyle promised to aggressively pursue stimulus funding for energy initiatives, including:

- Biomass production research at the Great Lakes Bioenergy Research Center in Madison.
- A sustainable science and engineering center at the University of Wisconsin Energy Institute in Madison.
- Biofuels projects at Flambeau River Papers in Park Falls and at NewPage Corp. in Wisconsin Rapids.
- A demonstration-scale plant run by Virent Energy in Madison to convert sugar to hydrocarbon fuels such as diesel or natural gas.



[Midwest moving on plan to reduce carbon emissions](#)

By *LARRY BIVINS*

WASHINGTON — Wisconsin is among a group of Midwestern states poised to unveil a regional plan to limit carbon dioxide emissions that many scientists say contribute to global warming, Gov. Jim Doyle said Tuesday.

Doyle said an announcement could come this fall, but a lot depends on what happens with efforts in Congress to establish a national energy plan that calls for reducing greenhouse gases and spurring the development of clean energy.

The regional accord, which includes Illinois, Iowa, Kansas, Michigan, Minnesota, Wisconsin and Manitoba Province in Canada, calls for a cap-and-trade system to curb carbon dioxide emissions by 15 to 25 percent by 2020 and 60 to 80 percent by 2050. Northeastern states already have such a pact.

Doyle said Midwestern governors prefer a national cap-and-trade strategy, but they believe their states should take the initiative. He said what they are doing could help inform lawmakers as they write energy legislation.

The main concern among the governors, Doyle said, is to ensure that coal-burning, heavy manufacturing states like Wisconsin not be put at a competitive disadvantage.

"We have to really evaluate what we want to do," Doyle said. "We aren't going to launch anything that doesn't work."

Under cap-and-trade agreements, companies that can't meet emission targets are allowed to buy credits or allowances from companies whose emissions fall below the limit.

Doyle was in Washington on Monday and Tuesday to meet with energy officials in the Obama administration and participate in a symposium on climate change.

Doyle said Wisconsin was well-positioned to take advantage of grant money available for renewable energy through the \$787 billion economic stimulus package. He cited current state efforts to increase the development of solar and wind energy as well as biofuels.

At the climate change discussion Tuesday, Doyle joined Govs. Jennifer Granholm, D-Mich., and Tim Kaine, D-Va., in sharing their perspective as state chief executives with 15 senators, business leaders and international leaders, including former British Prime Minister Tony Blair.

Participants agreed that policies to reduce greenhouse gases could help the ailing global economy by creating jobs. The participants also agreed the United States has to take the lead in

negotiating a global climate change pact at summits in Poland in December and in Denmark next year.

Blair said China has taken bold steps in recent years toward reducing greenhouse gases. He urged the United States to join China in leading negotiations for a climate change agreement.

Global warming critics contend the climate change warnings are overblown and imposing cap-and-trade policies would cause economic harm. House Minority Leader John Boehner, R-Ohio, called cap-and-trade a "stealth energy tax on every American."

Doyle said he is convinced some controls need to be placed on the release of greenhouse gases.

"If I were on a jury and somebody was presenting the two sides," he said, "it seems to me the evidence on that side is absolutely overwhelming."



[US pressed over climate leadership role](#)

WASHINGTON (AFP) — European ministers are calling on the United States to take a leading role in fighting climate change after largely ignored the growing threat during President George W. Bush's two terms.

Encouraged by President Barack Obama's engagement on global warming and his push for clean energy, European and Canadian ministers are in Washington this week to meet top officials and gauge prospects of Congress adopting key climate-change legislation ahead of a major UN climate conference in December.

Obama has said he would like to see the legislation feature a carbon cap-and-trade system to limit greenhouse gas emissions and pump billions of dollars into renewable energy programs.

A European-style mechanism which penalizes pollutants and rewards green industry should, in concert with the development of new sources of clean energy, reduce US gas emissions by 14 percent below 1990 levels by 2020, according to the Obama administration.

British and Danish ministers of climate and energy Ed Miliband and Connie Hedegaard expressed optimism Tuesday that a deal could be concluded on reducing emissions at the UN conference in Copenhagen. They said a commitment from the US administration could inspire other countries.

"President Obama's commitment is a very significant and very welcome advance on previous US policy and will in that sense have a positive effect on others' willingness to come forward," Miliband said.

"I think it's right to say that in Europe there is a real ... sense of new American leadership on these issues of climate change shown by President Obama and a very welcome sense of movement forward," he added.

Hedegaard said it was "extremely exciting" to sit down with new US officials keen on taking on global warming with international partners.

"Tackling global challenges like ... climate, we can not do it without the US, and for too long others have been hiding behind the American position," the Danish minister said, referring to countries that have refused to institute changes until the world's largest energy consumer takes the lead.

"So we need the US to engage," he added. "As soon as the US administration and this House (of Representatives) and Senate can sort of come up with the American position, the more strong the pressure will be on all of us" at the UN conference.

The European Union sees the arrival of Obama as a boost for the chances of agreeing a global deal on a replacement to the Kyoto protocol in Copenhagen.

Obama's predecessor George W. Bush refused to ratify the Kyoto protocol which expires in 2012.

Also in Washington this week was Canada's Environment Minister Jim Prentice, following up on talks between Prime Minister Stephen Harper and Obama last month on clean energy.

Prentice and the Europeans met with members of the House energy and commerce committee, including its powerful chairman Henry Waxman, who despite swirling economic crises insisted that US climate legislation could still be passed by December.

"What we need to do here in the US is complete a bill this year, passed into law, and I would hope we will do it before Copenhagen," Waxman told reporters. "The US has to catch up and become a leader once again on these environmental issues."

Some US experts have said that while action on a bill looks likely in the House, getting it through the Senate before Copenhagen would be difficult, especially with the lukewarm reception some energy initiatives are getting from lawmakers.

French Minister for Sustainable Development Jean-Louis Borloo was to meet Wednesday with US officials in charge of climate and energy issues, while former British prime minister Tony Blair was a guest Tuesday at a Senate panel on global warming.

Posted By: [Nick Greene](#) at Mar 3, 2009

Here's a roundup of today's transatlantic must-reads:

1. As Gordon Brown prepares to give Barack Obama a seven-volume biography of Winston Churchill (Obama is praying he included a gift receipt), Alice Fishburn of the Times has a [collection of past prime ministers' gifts to presidents](#) and vice versa.
2. Tony Blair writes a [call-to-arms on climate change](#) in the Daily Beast on the day he is to attend a bipartisan symposium, "The U.S. Climate Action: A Global Economic Perspective."
3. The New York Times' Sarah Lyall has a piece on [a British woman with MS whose husband would be jailed](#) if he so much as wheeled her onto the airplane for her trip to an assisted suicide clinic in Switzerland.
4. Richard Vines, Bloomberg's chief food critic, writes about [posh London restaurant the Fat Duck's recent health scare](#). Their marquee dish is "the Sound of the Sea, where customers don earphones and listen to lapping waves while consuming seafood washed up on what looks like a beach." It's easy to get sick just reading that.
5. The Telegraph's own Toby Harnden broke the news of [Obama canceling a press conference with Gordon Brown](#) "because of snow."
6. Andrew Sparrow, the Guardian's senior political correspondent, lists [key meetings between US and UK heads of state](#) in the past. How would our world be different if snow prevented Clement Attlee from meeting with Harry Truman to urge restraint in using nuclear force in Korea?
7. CNN picks up the story of climate protesters [arrested for trespassing at a Scottish airport to protest Donald Trump](#). Feel free to protest war or abortion, but stay clear of The Donald.
8. The Spectator's Alex Massie thinks the Dems are [thrilled that Rush Limbaugh is the face of the Republican Party](#). It assures that only Limbaugh's mother will be able to love the GOP.
9. James Martin wonders in the Guardian if the issue of [NATO troops for Afghanistan](#) will sour Brown and Obama's meeting.
10. Gabor Steingart of Der Spiegel writes that Obama's foreign policy is characterised by ["toughness and modesty."](#)

Spot any great stories from either side of the pond? Please email me at Nick.Greene@telegraph-USA.com. Please, no "special relationships."

The New York Times

[NASA-Cisco climate project to flash 'Planetary Skin'](#)

By MICHAEL BURNHAM, [Greenwire](#)

Climate science isn't exactly sexy, but the name of the U.S. space agency's latest project has some sizzle.

NASA and Cisco Systems Inc. are developing "Planetary Skin" -- a marriage of satellites, land sensors and the Internet -- to capture, analyze and interpret global environmental data. Under terms of an agreement announced during a Capitol Hill climate summit today, NASA and Cisco (**Nasdaq: CSCO**) will develop the online collaborative platform to process data from satellite, airborne and sea- and land-based sensors around the globe.

The goal is to translate the data into information that governments and businesses can use to mitigate and adapt to climate change and manage energy and natural resources more effectively, NASA and Cisco officials explained in interviews.

"There are a lot of data out there, but we have to turn that into information," explained S. Pete Worden, director of NASA's Ames Research Center. "What we are trying to do is use Cisco's expertise in data handling, put our data in there and explain what's really going on in the rainforests."

Indeed, the partners' first project, "Rainforest Skin," will focus on integrating a comprehensive sensor network in rainforests around the world. The project will examine how to capture, analyze and present information about the changes in the level of carbon dioxide -- the main heat-trapping gas -- in the Amazon and other areas. Information will be posted on the project's [Web site](#).

Other projects during the next 18 months will look at changes in land use and water, Worden noted.

"This will begin to give us a sense of, if we pass cap and trade, is it working," he added.

Now about the project's name: "There are many layers of skin, of information, and this will help us understand all of the interconnected data," explained Worden, whose agency provides continuous global observations using satellites and other spacecraft.

Juan Carlos Castilla-Rubio, who directs Cisco's climate change practice, said the information should help companies manage environmental and financial risks in a carbon-constrained world.

"It's providing the support platforms for people to make decisions because today we fly blind," added Castilla-Rubio, whose San Jose, Calif.-based company specializes in Internet Protocol networking.

The Center for Global Development has developed a Web site of its own, called Carma (Carbon Monitoring for Action), which tracks emissions from 50,000 power plants around the world. The Washington, D.C.-based nonprofit research organization is also developing a way to monitor emissions savings from forest conservation.

"These investments in information now are absolutely critical," said Nancy Birdsall, the center's president, who participated in today's summit with Cisco Chairman and CEO John Chambers.

"We have to create that information and track it over time if we're going to have any kind of system at a global level that people in this country and other countries can trust."

"We'll have to have ... something akin to independent monitoring," she added.

guardian.co.uk

[Blair urges US to act on climate change](#)

Former British prime minister calls on America to not put off action on the environment due to the economic recession

[Tony Blair](#) called on America to live up to its global leadership role on [climate change](#) today, and not put off action because of the economic recession.

Blair, who presided over a high-powered gathering of business and political leaders at Congress on the same day that Gordon Brown arrived in Washington, said that the international community would be looking to America to set the pace ahead of climate talks in Copenhagen later this year.

"We know that America has a key leadership role on this as on all other issues and there is tremendous excitement about the commitment that the new President Obama has made here," Blair said.

"I think first of all the most important thing is that America comes to Copenhagen and wants to be part of the global deal and is a part of it."

Blair went on to say that no workable deal could be expected to emerge from Copenhagen without America or China, the world's two biggest polluters. "A global accord is essential and the blunt reality is that the position of China and the position of the US will be crucial to getting one."

In prepared remarks, the former prime minister acknowledged that world leaders would be consumed by their efforts to climb out of the economic recession. "But 2009 should also be the year we summon the will and the wit to conclude a new treaty on climate change," he said. "We can not ignore it. To do so would be to multiply the risks to our future economy as well as environment."

Today's gathering of political and business leaders on climate change was the most high powered of its kind since [Barack Obama](#) became president. It was designed to help provide momentum to his green agenda.

Organisers counted 15 Republican and Democratic US senators and three governors as well as business leaders from Cisco, General Electric and Duke Energy. Connie Hedegaard, who will preside over the Copenhagen talks as Denmark's climate and energy minister, and Nicholas Stern, also attended.

Leaders including Blair said they were encouraged by the [Obama Administration](#)'s early moves on the environment, especially the inclusion of \$100 in green investment in his economic recovery plan.

"It surely makes sense as part of long term investment to invest in clean energy for the future so that as the economy grows again in the future we do not find ourselves back in the place of being dependent on high priced carbon," Blair said. "We can create a situation that as our economies grow again they can grow in a sustainable way."

But Democrats in Congress are facing determined resistance to the next step on the road to Copenhagen: the passage of legislation to limit and set a price on carbon - in large part because of fears it could put a further drag on the economy.

Blair said he identified with leaders facing the competing pressures of the economic recession and climate change.

"It is not so long that I have been out of office that I don't still understand what it is like to have to take those practical decisions," he said. "It is always more difficult when in a sense you have short term pressures but the challenge is a long term challenge that you know is acute."

He added: "It does require a special kind of leadership."

American CEOs increasingly are coming around in support of such legislation, said John Chambers of Cisco.

However, climate change is a tougher sell for American workers, Jennifer Granholm, the governor of Michigan said. Her state, home of America's crumbling auto industry, has the highest unemployment in the country.

"The only thing to get this passed in the [United States](#) is for real people to understand what this means for them," she said. "They don't care so much about [carbon emissions](#) or sequestration of gases, they just want to know: 'does this mean that there is a job for me?'"



[The Crisis We Forgot](#)

by *Tony Blair*

March 3, 2009 | 7:20am



In a Daily Beast exclusive, Tony Blair urges Obama to tackle the climate change catastrophe—even as the economic meltdown dominates the agenda.

To a large extent, 2009 will be characterized by our efforts to head off the worst consequences of the economic catastrophe. But 2009 should also be the year we summon the will and wit to conclude a new treaty on Climate Change, one which will have all major economies, including America as a signatory, one that is radical and realistic.

Some say that due to the economic crisis, action on the environment should be postponed. But either the climate is changing or it isn't. If it is—and the scientific consensus on this is now vast—we cannot ignore it. To do so would be to multiply the risks to our future economy as well as environment. Reasons of energy security also compel us to act.

I would argue that the current economic woes provide us not with an excuse for inaction but a reason for acting.

It is now, right now, at the instant when our thoughts are centred on the economic challenge that we must not set to one side the challenge of global warming, but instead resolve to meet it and put the world on a path to sustainable growth for the future. Now is the moment when our responsibility to future generations must be answered. The decisions of 2009 will determine the world of 2029 or 2049 and beyond. Those decisions must be right.

What is more, I would argue that the current economic woes provide us not with an excuse for inaction but a reason for acting. Let us stimulate economic growth by investing in alternative energy and energy efficiency; and let us invest now in these times of lower carbon price to prepare for the times when that price rises again. Let us put economic growth and combating climate change in alliance not opposition.

President Obama's economic stimulus package, recently approved by the Senate, includes substantial support for clean energy and energy efficiency, recognizing that these investments will not only be good for jobs and economic recovery but also improve the country's energy security and begin to cut greenhouse gas emissions. China, Korea, and others are following suit.

Yet as we speak, emissions are rising, even though the means of transformation, the technological potential and the scientific knowledge are there before us. This is not a problem without a solution. The creativity, ingenuity, and innovation of humanity are on hand to solve humanity's self-made problem. But we need to place that brainpower within a framework of global action that incentivizes, encourages, and propels it forward. Without a global agreement, the task cannot be done. We cannot wait for things to take their course. We must change course to do it, do it together and do it now.

And this agreement needs to involve all major emitting countries, from both the developed and developing world. Action by one group without the other will not be enough to stop dangerous climate change. While there is no doubt that the rich countries must take the lead, developing countries—notably China and other emerging economies—will also have to play a major part. Action—even according to differentiated obligations—has to be action done in common, on a global basis, if it is to be effective.

I do not understate the complexity and sensitivity of achieving such a global agreement. American and European business faces the toughest of times. China and India have a complete and justifiable determination to maintain strong economic growth so that the hundreds of millions that languish still in poverty, even as part of their economies push into the first world, are lifted from the mire. The question is not to grow or not to grow; but how we grow.

The primary objective of any global deal will be to save our environment for the future. But it would, in doing so, result in something else: a resurgence of belief that multilateral agreement is possible; that nations working in concert can produce results. It may well be, also, that in striking a deal on climate change, the strength of the relationship between America and China can be demonstrated and deepened.

President Obama has already made very clear the importance he places on U.S. leadership on tackling global climate change. Over the course of 2009, U.S. policymakers will debate U.S.

climate policy at the local, state, and national level. This debate will generate the principles for climate legislation alongside policies on the economy and energy security. Through the progress it makes in formulating its climate policy, the U.S. will send an important signal to the United Nations climate conference in Copenhagen in December 2009.

However, building the case for urgent action on climate change in the face of the economic crisis will be no easy task. Fostering public confidence will be crucial. Congress will not take ambitious action on climate change unless they are convinced that their economic concerns have been fully recognized and legislation will be designed to address this. That is why I am chairing a meeting in Congress today—"U.S. domestic action—a Global Economic perspective"—sponsored by Sens. Jeff Bingaman (D-NM), John McCain (R-AZ), Olympia Snowe (R-ME), and Debbie Stabenow (D-MI), on Capitol Hill. This event will bring together U.S. business leaders, governors, economists and global climate leaders.

We must move forward, despite the recent calamities and pressing challenges in the times to come. If we do this, we can look upon the future not with fear but with hope, hope born of confidence that history never poses problems that humankind cannot resolve.

THE WALL STREET JOURNAL.
WSJ.com

[U.S. Climate Official Urges Congress To Curb Greenhouse-Gas Emissions](#)

By [STEPHEN POWER](#), MARCH 3, 2009, 4:34 P.M. ET

WASHINGTON -- The top U.S. negotiator of international climate-change agreements urged Congress to pass legislation curbing greenhouse-gas emissions in advance of an international summit this December, saying it would give other countries "a powerful signal" to cut their own emissions.

"It's been a long time now that countries have been looking to the U.S. to lead," Todd Stern, President Barack Obama's special envoy for climate change, said in response to questions from audience members after a speech at a conference on global warming. Mr. Stern acknowledged that passage of climate-change legislation before December would be "an extremely tall order," but added that "nothing would give a more powerful signal to other countries than to see a significant, major, mandatory plan" from the U.S. before the start of international talks that are intended to forge a successor to the 1997 Kyoto Protocol, which committed many industrialized nations to cutting their emissions.

A road map agreed to by industrialized countries at a 2007 summit in Bali, Indonesia, suggests that industrialized countries to reduce their emissions by between 25% and 40% by 2020. But Mr. Stern said in his speech that it was "not possible" for the U.S. to cut its emissions as quickly

as suggested under the Bali road map. Mr. Stern reiterated Mr. Obama's goal of returning U.S. emissions to their 1990 levels by 2020, adding that the U.S. could compensate with swifter reductions in the years beyond 2020. Mr. Obama's recent budget proposal calls for reducing U.S. emissions roughly 80% by 2050 over 2005 levels.

"We need to be very mindful of what the dictates of science are, and of the art of the possible," Mr. Stern said. Referring to the targets called for in the Bali plan, Mr. Stern added "it's not possible to get that kind of number. It's not going to happen."

Mr. Stern said that Mr. Obama's aides will demand that developing countries agree to "substantial reductions" in their emissions. At the same time, he said the administration is "right in the middle of trying to work through a financing package" that would help those companies pay for the costs of adapting to and mitigating the impact of climate change. Mr. Stern didn't specify how much money the administration thought was necessary, but said that the administration will ask Congress to appropriate "substantial funds" for such an effort.

Mr. Stern's comments are the latest sign of the Obama administration's eagerness to pass legislation this year that would for the first time cap U.S. greenhouse-gas emissions. Prospects for passing such legislation are likely to hinge on the Senate, where Democrats from manufacturing states and rural, coal-rich regions wield enormous influence. Some Democrats have expressed reservations about the scale and speed with which Mr. Obama hopes to reduce greenhouse-gas emissions.

Neither the U.S. nor developing countries such as China are parties to the Kyoto protocol.

Mr. Stern didn't specify how much of a long-term reduction in global greenhouse-gas emissions the Obama administration thinks that countries should agree to at international talks scheduled for December in Copenhagen. But he indicated it would be unrealistic to expect the U.S. to slash its greenhouse-gas emissions as much over the next decade as some European governments have suggested is possible. He also said that the Obama administration intends to seek "substantial funds" to help developing countries such as China adapt to and mitigate the impact of climate change.

European governments have generally favored measuring emissions reductions against the year 1990. Since then, the EU's emissions have fallen slightly, while U.S. emissions have risen about 15%, according to the World Resources Institute, a Washington think tank. One reason for the decrease in Europe's emissions is the collapse of the Soviet empire, which brought about an economic slowdown in Eastern European countries that had relied on heavily polluting, Soviet-sponsored industries.



[Stimulus plans threaten green gains](#)

By Fiona Harvey, Environment Correspondent

Published: March 3 2009 19:42

Economic stimulus plans being rolled out across the world could commit countries to rapid growth in greenhouse gas emissions, cancelling some of the green initiatives included within them, analysis has found.

Which country has the greenest bail-out?

The packages of tax cuts, credits and extra spending have been trumpeted for their environmental credentials by the governments proposing them, but a closer look shows that green spending account for only a small part of the bigger initiatives.

“This is a once in a lifetime opportunity that is being fumbled,” said Ben Stewart, spokesman for Greenpeace, the environmental group.

Much of the spending will go to projects that will, in fact, increase emissions, such as new roads or fossil fuel power stations, while too little money will be devoted to low-carbon projects to make a real difference, experts believe.

For instance, Barack Obama, the US president, wants \$27bn (€21bn, £19bn) to be spent on new roads, which will raise traffic emissions. Although some funds will be spent on developing low-carbon vehicles such as electric or hydrogen cars, the benefits gained will be outweighed by the emissions generated by the extra petrol-driven cars.

Such increases in spending on high-carbon activities are a serious threat, according to a growing number of economists, politicians and environmental groups.

They are concerned that a failure to “green” the huge fiscal expansion proposals will doom the world to decades of high-carbon economic growth and spell disaster for the planet.

Andy Atkins, executive director of the environmental charity Friends of the Earth, said governments must do more to avoid locking the global economy into decades of high-carbon growth. “We need urgent and comprehensive green action, not more token gestures and hot air.”

The United Nation’s Environmental Programme estimates that only South Korea is now spending enough of its stimulus on green investment to cut the costs of climate change later.

Japan and India will spend paltry sums on green investments such as renewable energy, energy efficiency and low-carbon technologies.

Tokyo will devote 2.6 per cent of its spending to green investments, mainly energy efficiency for buildings, out of a total stimulus package of \$486bn, according to an analysis by HSBC.

New Delhi has no plans to spend any of its \$14bn fiscal package on low-carbon activities.

The same analysis suggests China will spend 38 per cent of its \$586bn on green themes. However, the size and details of the Chinese stimulus are still unclear and many economists believe the green impact will be much more modest and could be outweighed by polluting infrastructure projects.

On current plans, Europe and the US fare a little better than Asia in green terms.

Mr Obama has held out the prospect of millions of new “green-collar” jobs, in activities such as refurbishing federal buildings to making them more energy efficient and overhauling the country’s creaking electricity transmission networks. According to HSBC, about a tenth of the US’s proposed tax breaks, extra spending and other incentives can be classed as green.

France and Germany are leading the way in Europe, with a fifth of the \$34bn French package and 13 per cent of Germany’s to be targeted at low-carbon industries. In the UK, where ministers have promised hundreds of thousands of new green jobs, about 7 per cent will go to environmental goods and services.

Meanwhile, Italy will channel only 1 per cent of its planned \$100bn to green measures and Poland, which is highly reliant on coal-fired electricity, does not plan for any of its stimulus to be green.

Lord Nicholas Stern, the former World Bank chief economist who wrote the landmark study that found the cost of tackling climate change would be far less than the costs of unchecked global warming, has led calls for green measures to be at the heart of global stimulus measures.

He said: “It is vital that these investments do not lock us for many more decades into an unsustainable high-carbon economy.”

Investing in low-carbon technologies would improve the world’s economic prospects for the long term, he said. “If we are going to make this expansion, let’s look at what is going to be the growth story of the future. Low-carbon growth is going to be the only growth story of the future.”

Lord Stern calculates that governments need to spend \$400bn on green measures to achieve the emissions cuts required and to help the global economy recover.

Only if spending was concentrated on low-carbon technologies would the world escape the prospect of raising emissions for years to come, and “thus having to spend much more in the future to bring them back down to safe levels”, Lord Stern said.

Still, green companies are generally hopeful about the packages and it is easy to see why. Sums of the sort being contemplated under the stimulus plans dwarf the amounts devoted to green subsidies and other government incentives in recent years.

“If the financial crisis has done anything, it has made sums like \$50bn seem small,” said Steve Howard, of the Climate Group, an influential organisation that attempts to bring businesses together to tackle climate change.

So if even a small proportion of the proposed stimulus packages was spent on projects such as more renewable electricity generation, energy efficiency and developing low-carbon technologies, that would represent a huge increase to the companies involved in such plans.

Pavan Sukhdev, a senior banker from Deutsche Bank who has worked on green ideas with the UN, said: “Investments will soon be pouring back into the global economy. The question is whether they go into the old, extractive, short-term economy of yesterday or a new green economy.”



Lead US Climate Negotiator: '09 Climate Law 'Tall Order'

By Ian Talley, Of DOW JONES NEWSWIRES

WASHINGTON -(Dow Jones)- The U.S.'s lead international negotiator for climate change policy, Todd Stern, said Tuesday that although he would like to have a law that cuts greenhouse gases signed in time for international climate change negotiations in Denmark this December, he didn't think it likely or necessary.

"It's an extremely tall order," Stern, the Department of State's Special Envoy for Climate, told international government officials at a conference here.

The world's leaders will meet in Copenhagen in December to try and forge a new international agreement to reduce gases thought to be causing global warming.

While President Barack Obama has outlined an aggressive target to cut greenhouse gas emissions 83% from 2005 levels by 2050, Congressional lawmakers are hoping to pass a law this year that mandates emission cuts and creates a market for the right to emit.

Many political analysts and lawmakers say, however, that the measure is so complex and would have such broad implications across the entire economy that it's politically unfeasible to see such legislation approved this year.

Other international government officials who will lead discussions at the summit say the U.S. doesn't need to sign a law cutting greenhouse gases in time for the Copenhagen meeting.

-By Ian Talley, Dow Jones Newswires, 202-862-9285; ian.talley@dowjones.com

PRESS ASSOCIATION

[Blair urges global warming fight](#)

Former Prime Minister Tony Blair said that tackling global warming during the economic downturn was important if the world was to avoid the future costs of climate change.

In an interview with CNN, Mr Blair said that in the long-term, the price of environmental and weather change would be much more than if measures to curb emissions were not implemented.

The former British leader urged US president Barack Obama to continue with "a bold, assertive line" from the beginning on global warming as he also tackled the challenges of economic crisis and security threat.

Asked if he thought Mr Obama was overreaching in the first few weeks of his administration, Mr Blair said: "It would be neat in a way to say, 'Let's deal with the global economic crisis first, then move on to the security threat and then deal with global warming'.

"I'm afraid they are all there and in the entree and that is why, no, I think on the contrary - by taking a very bold, assertive line from the beginning, I think his leadership is giving people some hope that these problems that are major and difficult - difficult challenges to meet - will be met."

Mr Blair was in Washington to attend a global symposium on the response to climate change.

Asked if it was wise to push forward with taxes and caps to reduce carbon emissions at a time of economic strife, Mr Blair said that it was not about imposing a burden, but giving people an opportunity to cut their electricity bills.

He told CNN: "We were hearing from business people, American power companies, business people, people who are there to make a profit that are also saying how by introducing energy saving devices the consumer could actually cut the amount of money it was paying on its energy bills. So there are opportunities here, as well. Yes, of course, there are big challenges, but there are opportunities.

"And if you think going forward if we don't resolve this problem and we end up with major climate change happening, it's going to impact here and it's going to impact right around the world and of course impose its own cost."

He added that during the global climate change symposium, he presented a study showing how much more the world would have to pay if it did not deal with major environmental and weather change problems.



Senators Discuss Global Climate Issues

U.S. action - or inaction - on the climate has far-reaching economic impacts, members of Congress discussed March 3.

“U.S. Climate Action: A Global Economic Perspective” was convened by Senators Jeff Bingaman (D-NM), John McCain (R-AZ), Olympia Snowe (R-ME) and Debbie Stabenow (D-MI). Click [here](#) to see a Web site about the symposium.

Former UK Prime Minister Tony Blair kicked off the session, arguing that the leading world economic powers are starting to comprehend the risks of climate change. He urged all nations to invest in low-carbon economies. Blair said the United States can be a trendsetter by making progress on a domestic climate policy in the coming months, according to a press release.

“The current economic woes provide us not with an excuse for inaction but a reason for acting,” Blair said. “Let us stimulate economic growth by investing in alternative energy and energy efficiency; and let us invest now in these times of lower carbon price to prepare for the times when that price rises again. Let us put economic growth and combating climate change in alliance not opposition.”

Wisconsin Governor Jim Doyle said, “Global warming demands aggressive action at the international, national, state, local and individual levels.”

Doyle added, “The environmental and economic consequences of climate change and our dependence on fossil fuels affect everyone, and working together we will be able to generate new technologies, new businesses, new jobs for our citizens, and a cleaner and safer world for generations to come.”

Bingaman called the symposium a constructive start. “A responsibly-designed national climate policy will create economic opportunities and jobs and spur investment in low-carbon technologies that will make U.S. businesses more competitive.” he said. “The costs of climate policy can be mitigated with the right policy measures, and we need to move ahead with both energy policies and a national cap and trade program to sustain these investments.”

In addition to lawmakers, climate experts and business leaders spoke at the symposium.

Lord Stern, I.G. Patel Professor of Economics and Government at London School of Economics and chair of Grantham Institute for climate change and Environment at LSE, said, “Low carbon growth is the only growth story, because high carbon growth would eventually choke itself off. The world would react strongly to an America lead as we go forward to build an international deal at the United Nations climate change conference in Copenhagen at the end of this year.”

Jim Rogers, CEO of Duke Energy, was critical of some energy aspects of President Obama’s economic plan. “The 100 percent auction contained in the President’s budget will unnecessarily punish the 25 states that get the majority of their electricity from coal,” Rogers said. “That represents nothing more than a tax and a wealth transfer, and it has nothing to do with meeting our environmental challenges. Congress needs to enact climate change legislation, but they also must get it right.”

Fred Bergsten, Director of the Peterson Institute, said the world is at a critical juncture. “The new global regime on climate change is likely to produce the largest changes in the international economic architecture since the creation of the Bretton Woods system after the Second World War,” Bergsten said. “The new rules and institutional arrangements will have dramatic implications for the multilateral trading system as well as for environmental management itself.”

A Webcast of the symposium will be available [here](#) March 4.

The event was organized by three Beltway think tanks, the Center for Global Development, the Peterson Institute for International Economics, and the World Resources Institute, together with the Grantham Research Institute on Climate Change and the Environment at London School of Economics and Political Science.

Despite this symposium, U.S. lawmakers are not practicing what they preach. The [U.S. House of Representatives](#) has [dropped](#) its plan to make its offices carbon neutral.



[*Low-carbon Who's Who rallies Americans*](#)

U.S. political leaders, captains of business and the world’s carbon elite have met in Washington, D.C. to discuss "a domestic path to low-carbon ...

By [**WILLIAM STOICHEVSKI**](#)

U.S. political leaders, captains of business and the world’s carbon elite have met in Washington, D.C. to discuss "a domestic path to low-carbon economic recovery”.

Political leaders on hand — including Tony Blair, John McCain and Lord Nicholas Stern— tried stressing U.S. climate action despite economic hard times. Switching from the role of Middle East envoy, Blair told the symposium that world leaders understood low-carbon ideas could effectively curb climate change.

Creating jobs while weaning America off fossil fuel was the bigger theme, however. Even the governor of car-industry-heavy Michigan sought “comprehensive climate change legislation” to link people’s livelihoods to a new, greener energy policy.

"(Legislation is) critical for a state like Michigan that has lost hundreds of thousands of manufacturing jobs," said Governor Jennifer M. Granholm.

Then industry weighed in. Jim Rogers of Duke Energy said President Obama’s budget contained measures that would strip states known for electricity by coal or gas of investment. He, too, supported lawmaking on a new energy-climate bill.

“I have long been a supporter of enacting climate legislation because it will take decades to slow, stop and reverse greenhouse gas emissions,” Rogers said.

Climate guru Lord Nicholas Stern, author of the influential "The Economics of Climate Change: The Stern Review" of 2006, said U.S. talent should take the lead.

"Low carbon growth is the only growth story, because high carbon growth would eventually choke itself off," Stern said.

He said American agreement on a new direction would be viewed well by a world "moving toward" a United Nations climate deal at an important conference this December in Copenhagen.

Secretary of State Hillary Clinton's own climate envoy, Todd Stern, was on hand to say he had met with international policymakers on “the importance of global collaboration” ahead of Copenhagen.

The event was organized by Washington “think tanks” the Center for Global Development, the Peterson Institute for International Economics and the World Resources Institute together with the Grantham Research Institute on Climate Change and the Environment at Stern’s London School of Economics and Political Science.

The Washington Post

[What to Watch](#)

Tuesday, March 3, 2009; A11

WHAT TO WATCH

-- Women's History Month is being marked with events across the city today.

In the afternoon, first lady *Michelle Obama* is expected to visit Arlington National Cemetery's Women in Military Service for America Memorial in honor of the occasion.

Earlier in the day, she will have some competition on the glamorous policymaker front when the Avon Foundation for Women announces new efforts to fight domestic violence at a news conference with actress *Reese Witherspoon*, Avon's "global ambassador."

At 10 a.m., the House Education and Labor Committee's workforce protections subcommittee hews to the theme with a hearing on "Encouraging Family-Friendly Workplace Policies." Scheduled to testify: Rutgers University's *Eileen Appelbaum*; *Michelle D. Bernard*, president and chief executive of the Independent Women's Forum; and *Heather Boushey*, senior economist at the Center for American Progress.

House Speaker *Nancy Pelosi* (D-Calif.) is expected to attend the official unveiling of a portrait of former representative *Shirley Chisholm* (D-N.Y.), the first black woman elected to Congress -- a Congressional Black Caucus Institute event marking the day.

And, in the evening, Homeland Security Secretary *Janet Napolitano*, above, delivers the keynote address to the annual bipartisan Congressional Gala, sponsored by the Congressional Caucus for Women's Issues and Women's Policy, at Union Station.

-- *President Obama* meets with British Prime Minister *Gordon Brown* at the White House in the morning, then visits and delivers remarks at the Transportation Department in Southeast.

-- Secretary of State *Hillary Rodham Clinton* visits Jerusalem and Ramallah, West Bank, to meet with Israeli and Palestinian leaders.

-- Climate change stays on the radar today with the bipartisan symposium "The U.S. Climate Action: A Global Economic Perspective," sponsored by the World Resources Institute, the Peter G. Peterson Institute for International Economics, the Center for Global Development and the Grantham Research Institute in London. Former British prime minister *Tony Blair*, Duke Energy chief executive *Jim Rogers* and Cisco chief executive *John Chambers* are expected to attend in the morning.

**YOUR
INDUSTRY
NEWS**

[Tony Blair joins Senators Bingaman, McCain, Snowe and Stabenow on Capitol Hill for Climate event](#)

Wednesday, Mar 04, 2009

Senators, Governors, business leaders and international experts met in the Capitol today to discuss the prospects for U.S. domestic action on climate change.

Many of the participants stressed that action to reduce greenhouse gas emissions should not be delayed by the global economic downturn because it provides an opportunity to lay the foundations for a sustainable recovery based on low-carbon growth.

The symposium, 'U.S. Climate Action: A Global Economic Perspective' was convened by Senators Jeff Bingaman (D-NM), John McCain (R-AZ), Olympia Snowe (R-ME) and Debbie Stabenow (D-MI).

During the opening session, the former UK Prime Minister, Tony Blair, argued that the leading economic powers around the world now understand the significant risks of climate change and appreciate that the best way to minimize the dangers is by investing in a low-carbon economy.

Mr. Blair said that the U.S. can send an important signal to the world about the importance they place on tackling global climate change through the progress it makes on its domestic climate policy over the next few months.

Senator Bingaman said "Today's bipartisan gathering of leaders to discuss how to move climate policy forward in the current economic crisis is constructive. A responsibly-designed national climate policy will create economic opportunities and jobs and spur investment in low-carbon technologies that will make U.S. businesses more competitive. The costs of climate policy can be mitigated with the right policy measures, and we need to move ahead with both energy policies and a national cap and trade program to sustain these investments."

"This was a great meeting where we discussed the key issues surrounding climate change policy with international leaders, such as former Prime Minister Tony Blair, who have already gained valuable insight on how such policies may affect manufacturing and economic opportunities," said Senator Stabenow. "For me, the bottom-line of any future climate change bill must be jobs. Climate policy can help re-build the middle class and create jobs in states like Michigan where we have the manufacturing base and engineering know-how to produce the new technology that will be needed. I intend to keep jobs and common sense at the top of the list of considerations as the climate policy discussion continues."

Governors Jim Doyle of Wisconsin, Jennifer Granholm of Michigan, and Timothy M. Kaine of Virginia provided their perspectives on the impact of climate policy on regional competitiveness, particularly with respect to impacts on U.S. jobs. Governor Doyle said "Global warming demands aggressive action at the international, national, state, local and individual levels. By combining Wisconsin's knowledge, skills and resources with those of our global neighbors, we can develop the solutions necessary for a clean energy future. The environmental and economic consequences of climate change and our dependence on fossil fuels affect everyone, and working together we will be able to generate new technologies,

new businesses, new jobs for our citizens, and a cleaner and safer world for generations to come”.

“In Michigan our top priority is growing the economy and creating jobs and that is why comprehensive climate change legislation is important to our state,” said Governor Jennifer M. Granholm. “Not only will this legislation advance clean energy technologies that reduce U.S. dependence on foreign oil, it will create millions of new green jobs, and protect our natural resources and that is critical for a state like Michigan that has lost hundreds of thousands of manufacturing jobs.”

There was strong agreement about the importance of boosting economic growth and combating climate change at the same time, and participants recognized that low-carbon investments will not only be good for jobs and economic recovery but will also improve the country’s energy security and begin to cut its greenhouse gas emissions.

John Chambers of Cisco, Jeff Immelt of GE, Vinod Khosla of Khosla Ventures and Jim Rogers of Duke Energy, provided perspectives from business. Jim Rogers said “I have long been a supporter of enacting climate legislation because it will take decades to slow, stop and reverse greenhouse gas emissions. However, the 100 percent auction contained in the President’s budget will unnecessarily punish the 25 states that get the majority of their electricity from coal. That represents nothing more than a tax and a wealth transfer, and it has nothing to do with meeting our environmental challenges. Congress needs to enact climate change legislation, but they also must get it right.”

International policymakers, Ed Miliband, Connie Hedegaard and Tony Blair said that strong US action on climate would galvanize further action across the world. Lord Nicholas Stern, author of the highly influential report ‘The Economics of Climate Change: The Stern Review’ in 2006, said: “The US has a real opportunity to take a lead given the creativity of its entrepreneurs and its technical talents.”

Lord Stern added: “Low carbon growth is the only growth story, because high carbon growth would eventually choke itself off. The world would react strongly to an America lead as we go forward to build an international deal at the United Nations climate change conference in Copenhagen at the end of this year.”

Nobel Prize winning U.S. economist Professor Joe Stiglitz agreed, stating that “Countries around the world have been waiting for the US to take leadership but they have not been sitting idle. Many countries have set out domestic plans of action on reducing their emissions. It is now the turn of the U.S. to use its power of example to motivate key countries to work together and find a global solution to this global problem.”

Secretary of State Hillary Clinton’s climate envoy, Todd Stern, addressed the group on the discussions he has conducted to date with international policymakers on the importance of global collaboration ahead of the United Nations Climate Change conference in Copenhagen in December.

The event was organized by three leading Washington think tanks, the Center for Global Development (CGD), the Peterson Institute for International Economics, and the World

Resources Institute (WRI), together with the Grantham Research Institute on Climate Change and the Environment at London School of Economics and Political Science (LSE), which is chaired by Lord Nicholas Stern.

Speakers' Quotes

- **Tony Blair, former UK Prime Minister**

“The current economic woes provide us not with an excuse for inaction but a reason for acting. Let us stimulate economic growth by investing in alternative energy and energy efficiency; and let us invest now in these times of lower carbon price to prepare for the times when that price rises again. Let us put economic growth and combating climate change in alliance not opposition.”

- **Senator Jeff Bingaman, New Mexico**

“Today’s bipartisan gathering of leaders to discuss how to move climate policy forward in the current economic crisis is constructive. A responsibly-designed national climate policy will create economic opportunities and jobs and spur investment in low-carbon technologies that will make U.S. businesses more competitive. The costs of climate policy can be mitigated with the right policy measures, and we need to move ahead with both energy policies and a national cap and trade program to sustain these investments”

- **Senator Debbie Stabenow, Michigan**

This was a great meeting where we discussed the key issues surrounding climate change policy with international leaders, such as former Prime Minister Tony Blair, who have already gained valuable insight on how such policies may affect manufacturing and economic opportunities. For me, the bottom-line of any future climate change bill must be jobs. Climate policy can help re-build the middle class and create jobs in states like Michigan where we have the manufacturing base and engineering know-how to produce the new technology that will be needed. I intend to keep jobs and commonsense at the top of the list of considerations as the climate policy discussion continues.”

- **Governor Jim Doyle, Wisconsin**

“Global warming demands aggressive action at the international, national, state, local and individual levels. By combining Wisconsin’s knowledge, skills and resources with those of our global neighbours, we can develop the solutions necessary for a clean energy future. The environmental and economic consequences of climate change and our dependence on fossil fuels affect everyone, and working together we will be able to generate new technologies, new businesses, new jobs for our citizens, and a cleaner and safer world for generations to come”.

- **Governor Jennifer Granholm, Michigan**
 “In Michigan our top priority is growing the economy and creating jobs and that is why comprehensive climate change legislation is important to our state. Not only will this legislation advance clean energy technologies that reduce U.S. dependence on foreign oil, it will create millions of new green jobs, and protect our natural resources and that is critical for a state like Michigan that has lost hundreds of thousands of manufacturing jobs.”
- **Jim Rogers, CEO of Duke Energy**
 “I have long been a supporter of enacting climate legislation because it will take decades to slow, stop and reverse greenhouse gas emissions. However, the 100 percent auction contained in the President’s budget will unnecessarily punish the 25 states that get the majority of their electricity from coal. That represents nothing more than a tax and a wealth transfer, and it has nothing to do with meeting our environmental challenges. Congress needs to enact climate change legislation, but they also must get it right.”
- **Lord Stern, I.G. Patel Professor of Economics and Government at LSE and chair of Grantham Institute for climate change and Environment at LSE**
 “Low carbon growth is the only growth story, because high carbon growth would eventually choke itself off. The world would react strongly to an America lead as we go forward to build an international deal at the United Nations climate change conference in Copenhagen at the end of this year.”
- **Professor Joe Stiglitz, Nobel Prize winning U.S. economist**
 “Countries around the world have been waiting for the US to take leadership but they have not been sitting idle. Many countries have set out domestic plans of action on reducing their emissions. It is now the turn of the U.S. to use its power of example to motivate key countries to work together and find a global solution to this global problem.”
- **CGD President Nancy Birdsall**
 “Rich countries are responsible for most of the emissions already in the atmosphere and our per capita greenhouse gas emissions are several times higher than that of the developing countries,” she says. “But developing world emissions are growing very rapidly. The conference will highlight the importance of joint efforts to address the threat of runaway climate change.”
- **Fred Bergsten, Director of the Peterson Institute**
 “The new global regime on climate change is likely to produce the largest changes in the international economic architecture since the creation of the Bretton Woods system after the Second World War. The new rules and institutional arrangements will have dramatic

implications for the multilateral trading system as well as for environmental management itself.”

- **WRI President Jonathan Lash**

“Congress has begun serious debate on climate legislation, confronting genuinely difficult issues of policy. This is a chance for members of Congress to interact with the world’s top climate and economic experts.”



Cisco, NASA team up to monitor climate change

By Frank Davies

Mercury News Washington Bureau

WASHINGTON — Cisco and NASA launched a partnership Tuesday to develop new online tools to measure and analyze climate change, aiming for a global platform that would help leaders make decisions on emissions controls.

The first pilot project of the "Planetary Skin" initiative — mostly coordinated by NASA's Ames Research Center in Mountain View — will focus on rain forests and deforestation. Some climate experts estimate that the loss of forests, which absorb carbon dioxide, has contributed about 30 percent of the atmospheric buildup of greenhouse gases that cause global warming.

Cisco Systems Chief Executive John Chambers, speaking at a climate change forum in Congress, said he envisions the monitoring platform — which will rely on NASA sensors and Cisco's networking technology — delivering verified public data that all sides can accept as they craft international plans to reduce emissions.

Chambers, meeting with several governors and senators and former British Prime Minister Tony Blair, likened the venture to arms control monitoring during the Cold War. Soviet and U.S. leaders did not trust each other, "but once they could verify what each side had, they could reach agreements."

In any climate-change agreement, an accurate assessment of who emits what and how much is emitted would be critical to setting limits.

"Otherwise you're flying blind, and you have to trust what they're telling you, whether it's a business, region or country," said Juan Carlos Castilla-Rubio, who manages climate-change strategy for Cisco, the San Jose-based technology giant.

Nancy Birdsall, president of the Center for Global Development, which works to reduce poverty, said the project "would provide needed information on what is emitted and what is saved — it's an absolutely critical tool."

Much of the work on the project will be done at Ames Research Center, said director S. Peter Worden. NASA satellites and ground and ocean sensors already provide climate-change data to international organizations.

Beyond the global application, Chambers said eventually the project will provide useful data and analysis to regions, towns and even households on their carbon emissions. The project could also help leaders make decisions on managing food, water and land use.

Cisco plans to spend about \$50 million over three to five years on the project, spokeswoman Jennifer Greeson said.

Blair and other participants in the forum said U.S. leadership was essential to any international agreement on climate change when leaders meet in Denmark in December. The Obama administration has pledged to take an active role.

"It's crucial the United States comes on board," said Connie Hedegaard, the Danish climate and energy minister who will host the conference. When the Bush administration opposed mandatory limits on emissions, "some countries were hiding behind the American position," she added. "Now they have to come forward."

for More information More on the Cisco-NASA project can be found at www.planetaryskin.org.



[Hard times make climate action tougher, Blair says](#)

Posted: 01:38 PM ET

WASHINGTON (CNN) — The worldwide economic slump has made it tougher for political leaders to move against the prospect of global warming, but the issue could yield “tremendous opportunities,” former British Prime Minister Tony Blair said Tuesday.

“This is not a problem that is beyond our capacity to solve,” Blair told a panel convened by U.S. senators in Washington. “There are solutions. They are practical. And they will build not only a better environment, but a more sustainable economy for the future.”

Blair made the issue a priority for the European Union when Britain held the EU’s rotating presidency in 2007. He spoke as Congress and the Obama administration prepare to revive efforts to limit carbon emissions that United Nations researchers blame for an increase in global temperatures.

POLITICS: Duke Energy CEO, former Sen. Warner and economists talk climate (Wednesday, March 4, 2009)

Christa Marshall, E&E reporter

Regional politics dominated a debate on climate change on Capitol Hill yesterday, signaling the challenge ahead for lawmakers as they try to reconcile the needs of coal-dependent states with those of the rest of the country.

Speaking at a daylong briefing in a U.S. Senate office building, Duke Energy Corp. CEO James Rogers sharply criticized President Obama's budget proposal, which called for much of the money raised under a cap on greenhouse gases to be used for tax credits. The president also wants companies with extensive emissions to pay a lot of money in the early years of such a cap, through a 100 percent auction of carbon allowances.

In the view of Rogers, who runs a utility producing 70 percent of its power from coal, such a plan would raise electricity prices between 20 and 40 percent in the two dozen states in the Midwest and South that are dependent on the fossil fuel. Duke Energy is a member of the U.S. Climate Action Partnership, a coalition that backs a carbon cap, but Rogers made it clear he doesn't like Obama's version of the idea.

"In my judgment, a 100 percent auction approach, if we're going to have straight talk out of the Beltway, is a tax," Rogers said. He spoke on a panel with representatives from consulting giant McKinsey & Co. and the Peterson Institute for International Economics and fielded questions from former Sen. John Warner (R-Va.), who retired this year.

Yet Jeremy Oppenheim, a director of McKinsey, questioned whether giving some allowances away for free in the early years of a cap-and-trade system would lead to windfall profits for utilities. Such a problem occurred in Europe, he said, and the United States needs to be careful not to repeat that flaw, even with a different regulatory structure in place.

A similar point was made in a [paper](#) released by the Center on Budget and Policy Priorities yesterday arguing that Obama's plan would not hurt consumers' pocketbooks.

Regions that produce the most greenhouse gas have energy-saving alternatives

"If allowances were given away for free to polluting firms, only the firms and shareholders would benefit," the center said. "Ordinary consumers would get no help."

Even if differences in opinion over an auction are worked out, the prospect of recycling money back to American taxpayers presents a special problem for coal-dependent states, according to Rogers. Because companies like Duke Energy would pay a significant portion of the cost in the early years of climate legislation, distributing tax credits would amount to subsidies from one region of the country to another, he said.

Saying that technology to capture and sequester carbon dioxide from coal plants is "at least 15 years away," Rogers emphasized that significant money needs to go for finding technologies that will make the transition to a low-carbon economy easier for energy-intensive industries.

Warner, a sponsor of a cap-and-trade bill that stalled last summer in Congress, echoed that argument. He expressed concern that appropriations committees in Congress would have too much power to take a pot of money raised under a cap and use it for other things beyond technology development.

"Frankly, we ended up with quite a bit of money leaking out into various areas which were unrelated to our goals, and frankly, that was to get votes," he said about his climate bill, co-sponsored with Sen. Joe Lieberman (I-Conn.).

Oppenheim provided a ray of light to coal states, though, even as he emphasized that development of carbon capture and sequestration was an important piece of the puzzle. According to his analysis, some regions that spew the most greenhouse gases also happen to have the best resources for cutting emissions through energy efficiency and other means.

The South, for example, has the ability to cut much more carbon dioxide emissions from the building sector than the western United States on a yearly basis, even though the West has better resources for renewable energy, he said in a slide presentation. Similarly, the Midwest has greater opportunities to address climate change through agriculture and forest policy than some other areas, despite its reliance on coal.

"This is a solvable problem," he said.



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CLIMATE: Int'l pressure builds for U.S. to lead on emissions (Wednesday, March 4, 2009)

Darren Samuelsohn, E&E senior reporter

This article was updated at 9:18 a.m. March 5.

International expectations are high for President Obama and Congress to bring a strong U.S. negotiating position to the U.N. climate talks in Copenhagen this December.

But there are big questions about how much U.S. leaders might be able to deliver.

"I think neither the calendar nor the economy is our friend right now," Carlos Pascual, vice president and director of foreign policy at the Brookings Institution, said today during a Washington panel on the Copenhagen talks.

Pascual, a former U.S. diplomat, urged foreign leaders to be mindful of the complexities on Capitol Hill as Democratic lawmakers and Obama try to write a new global warming law that puts a price tag on greenhouse gas emissions.

"I'm absolutely confident that we're eventually going to get to a new regime on climate change," he said. "I don't know if we're going to get there by Copenhagen."

And Pascual suggested a two-tiered negotiation track focusing in Copenhagen on low-carbon technologies, finance and adaptation while saving some of the key emission reduction goals for later meetings.

"One thing I strongly ask, or just to think about, is that we begin to think about Copenhagen as not a conclusion to the process, but as a launching plank for a new era of how we deal with climate change and environmental issues and how we deal with these questions," he said.

"Because they will not be finished there. Anything we do will not be finished. Technology will change. Economics factors will change. We will continually need to revise this, and we'll need to think about this issue differently."

Should world leaders press Obama to commit beyond his reach, Pascual warned of a total collapse in the climate talks.

"The worst-case scenario in Copenhagen is we finally have the United States that's interested and engaged on this issue, and we come there, and boom, we have this clash and we go in opposite directions and we actually destroy the momentum for change," he said. "That's the worst-case scenario."

Would 2010 be different?

Suffice it to say, Pascual's message did not please the top U.N. official overseeing global warming negotiations or the host of this year's climate conference in Denmark. Both men were seated right next to him.

"You can't go to Copenhagen and mumble," countered Yvo de Boer, the executive secretary of the U.N. Framework Convention on Climate Change. "There has to be a clear answer. There has to be a clear way forward. There has to be a clear commitment to emission reduction targets on the part of industrialized countries."

De Boer, a former Dutch climate diplomat, insisted Obama could make progress in Copenhagen even without a final piece of climate legislation in hand. In turn, the U.N. official maintained, such a move would help the U.S. president pick up support on Capitol Hill once China, India and other emerging economies sign off on the new agreement.

"Wouldn't it be easier to get legislation adopted in this country if you can show, black on white, that industrialized countries and major developing countries had made a commitment or if that situation is unclear?" de Boer said.

In 1997, climate negotiators did not have their own laws in place as they crafted the emission limits spelled out during talks in Kyoto, Japan.

"All of them used the Kyoto outcome, and the instruments created there, to approve their domestic policies," de Boer said. "I'm very enthused by the conversations I've had here and the enormous sense of urgency to get legislation adopted. I think that actually a strong result in Copenhagen might make it easier to get that legislation passed."

Pascual's call for some additional wiggle room also drew a rebuke from Connie Hedegaard, Denmark's minister for climate and energy.

"I must say I'm very concerned if we miss this opportunity," Hedegaard said. "Who would believe that things are easier in '10? Or '11? Who would believe if we close this window of opportunity, that there will be a new opportunity? I'm not sure there will."

Hedegaard, who met yesterday with key House and Senate lawmakers involved in the climate debate, said she wanted the United States to adopt a cap-and-trade program that would then link up with the European Union's system through bilateral agreements.

Brown calls for 'historic agreement'

Foreign leaders have poured into Washington this week to meet with Obama and members of Congress on the global economic meltdown, climate change and other pressing issues.

British Prime Minister Gordon Brown met with Obama yesterday to discuss next month's Group of 20 summit in London, which will focus on the economy. And in a speech today before a joint session of Congress, Brown tried to make the case for action on climate change with a very diplomatic message.

"I believe that you, the nation that had the vision to put a man on the moon, are also the nation with the vision to protect and preserve our planet Earth," Brown said. "And it is only by investing in environmental technology that we can end the dictatorship of oil, and it is only by tackling climate change that we create the millions of new green jobs we need."

Brown also stressed that the climate crisis "cannot just wait for tomorrow today" while linking the economic recovery to climate change.

"Let us work together for a low-carbon recovery worldwide," Brown said. "And I am confident that this president, this Congress and the peoples of the world can come together in Copenhagen this December to reach a historic agreement on climate change."

Also in Washington, Poland's climate ambassador, Janusz Reiter, said the Obama administration has added new momentum to the negotiations. "Unlike in last year, no one will have the suspicion that the U.S. administration has a hidden agenda and is trying to undermine the UNFCCC process," he said. "It is not. If they come up with ideas that make the process more flexible, I think we can only welcome that."

Obama and Democratic leaders this week have stressed their plans to push for a climate law in time for Copenhagen.

"If that can happen, and I certainly hope that it could, I think that would be great," Todd Stern, the State Department's top climate envoy, said yesterday. "Because I think it's a long time now that countries have been looking for the United States to lead and take action. Not just the previous administration, but the administration before that. I think nothing would give a more powerful signal to other countries in the world than to see a significant major mandatory American plan. That we've gotten past the state that we've gotten close to, but not gotten done."

Waxman considers timing

House Energy and Commerce Chairman Henry Waxman (D-Calif.) acknowledged in an interview that he would give thought to the argument that it is not in the United States' interest to finish a global warming law in time for Copenhagen.

"That's an interesting point," Waxman said. "But I think what we heard most importantly from the two people that briefed us this morning [Denmark's Hedegaard and Britain's environmental chief, Ed Miliband] is that by Copenhagen, they want to know we're stepping up to the plate, to do things to reduce the carbon emissions. They didn't feel we actually had to have the law in place, although I think there's a lot to say for that."

Jennifer Morgan, an environmentalist with the London-based climate think tank E3G, said Obama faces many challenges ahead as the United States enters into the formal U.N. negotiations. She recalled the pointed rebukes of the Bush administration during the closing hours of the 2007 U.N. climate conference in Bali, Indonesia, when officials from South Africa and Papua New Guinea called out the United States for blocking action on an agreement.

"For me, that just shows countries are ready to name other countries and to take them on," Morgan said. "The Obama administration needs to be ready for that. There are great expectations for what they're going to do. They need to play up to those. And with a smart science-based way. The stakes are high, and people are going to be ready to play out the last days in Bali in Copenhagen. That's for sure."



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WORLD BANK: Obama climate envoy promises money for controversial fund (Wednesday, March 4, 2009)

Lisa Friedman, E&E reporter

The Obama administration will fund a World Bank program aimed at helping developing nations cope with global warming and 'green' their technologies, U.S. climate change envoy Todd Stern said yesterday.

Stern, speaking at a conference, did not specify how much money Obama would propose for 2010 or what, if any, strings might be attached. But the comments came just days after the House voted to strip \$400 million from a portion of the World Bank project because it would allow certain coal-fired power plants to be built with public dollars and be considered as clean technology.

"I think they're going to have to discuss what this gets used for," said Alden Meyer, policy director at the Union of Concerned Scientists.

The World Bank's Climate Investment Funds are split into two parts. One section was created to help poor countries adapt to the weather disasters expected in the coming century. The other arm, known as the Clean Technology Fund, would be used to help China and other developing nations finance research and development of low-carbon technologies.

Ten nations have pledged more than \$4 billion to the technology fund, but it has come under fierce attack from Democrats and nonprofit groups. Environmental activists say they object to a set of criteria to which the fund's board agreed that would allow ultra-supercritical coal-fired power plants, as well as certain fossil fuel projects that make preparations for carbon capture and storage technology, to tap into the funds.

David Wheeler, a senior fellow at the Center for Global Development and a former World Bank economist, applauded Stern's comments, but said he expects the World Bank will have to revise its standards in order to get the funding.

Wheeler said he thinks the World Bank needs to insist that efficient fossil fuel projects will only receive funding if they are linked to concrete investment in carbon capture and storage technology.

"If that can be put in place, the clouds part," he predicted.

President George W. Bush had committed \$1.2 billion to the Clean Technology Fund and asked Congress to approve \$400 million for 2009. The funding was removed entirely from the omnibus spending bill the House passed last week, and several analysts said the Senate is unlikely to restore it.

It remains to be seen what Congress' decision and Stern's subsequent promise to fund the program next year will mean to other nations that have vowed to pony up money.

Sweden, for example, pledged \$100 million. After the House vote, Gunnar Lind, an adviser to the Green Party in Sweden, said it could be the death knell for the fund.

"It's difficult to see that Sweden or any other European country would stick it out if the U.S. backs down," Lund said.



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NEGOTIATIONS: Obama will add 'content' to next round of major economy meetings -- Stern (Wednesday, March 4, 2009)

Darren Samuelsohn, E&E senior reporter

President Obama plans to build off a Bush-era initiative that brought together leaders from the world's largest economies through a separate forum outside of U.N.-led global warming talks, a top State Department official said yesterday.

Todd Stern, Obama's lead climate envoy, told a Washington symposium that the new administration agrees with the intent of the Major Economies Meeting process launched in 2007 by former President George W. Bush. But under Obama, Stern said, the gatherings of about 17 world leaders would be even more fruitful, now that U.S. climate policy starts with support for mandatory limits on greenhouse gas emissions.

"I think it's great to have that configuration," Stern said. "I just think it needs to be infused with content, dynamism and drive in a way that wasn't before."

Former British Prime Minister Tony Blair and former Canadian Prime Minister Paul Martin first pitched the concept of the major economies gatherings in 2005, but it did not take off until Bush agreed two years later to set the meetings up. Many of the countries were initially hesitant to join the process out of concern it would distract from formal U.N. climate negotiations aimed at reaching an agreement on a new international global warming treaty.

After several gatherings, leaders on the sidelines of a Group of Eight nations summit last summer in Hokkaido, Japan, signed off on a long-term pledge to curb their midcentury emissions by 50 percent. The G-8 leaders also committed to meet again at their next summit, scheduled for July 8-10 in Sardinia, Italy.

Preliminary G-8 meetings resume later this month, and sources expect Obama will be represented there by Michael Froman, a White House deputy assistant and the deputy national security adviser for international economic affairs.

A venue outside the U.N. framework is 'essential'

Stern yesterday didn't offer any specifics on the next round of meetings, which most expect will take on a new name with the Obama administration. But he did offer an endorsement of the

concept and a hint at some of his expectations as this smaller subset of climate talks shadows the larger U.N. process that is scheduled to culminate this December in Copenhagen.

"It is essential to provide a venue outside the 190-nation framework convention, in which leaders can meet to advance and discuss these issues," Stern said. "But now we have to fill that process with content. This group should be a forum to facilitate agreement in Copenhagen and to capitalize on a wide range of long-term cooperative actions, joint ventures, sectoral agreements and the like, aimed at hastening the transformation to a low-carbon economy."

Environmental groups often have raised red flags about the U.S.-led talks out of concern they would steal energy from the much larger U.N. process. They also take issue with the invitation list, which has left out some of the countries most vulnerable to climate change.

"How this is done is incredibly important," Jennifer Morgan of the London-based climate think tank E3G said yesterday. "It needs to be a concept that is embraced by all of those countries that have been involved in that small group in the past so that they think this is going to be in their interest. It can't be a hard-core negotiation. It needs to be a space for dialogue and cooperation."



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NEGOTIATIONS: U.S. climate envoy rejects proposed midterm GHG reduction target (Wednesday, March 4, 2009)

Lisa Friedman, E&E reporter

President Obama's lead international climate change negotiator yesterday dismissed as "unnecessary and unfeasible" a European proposal to have developed nations curb emissions 25 to 40 percent below 1990 levels in the next decade.

Speaking to policy analysts, business leaders and a handful of U.N. climate negotiators, State Department envoy Todd Stern said he is intent on hammering out a global emissions treaty that the U.S. Senate can ratify. He argued that pushing for overly ambitious midterm targets is not required by the science and would undermine the political goal.

"I don't want to bring home a dead-on-arrival agreement," Stern said. "We tried that. It didn't do the world a lot of good."

Stern's comments at the daylong conference sponsored by the Center for Global Development and the World Resources Institute marked his first major policy speech since Secretary of State Hillary Rodham Clinton tapped him for the post. He also said developing nations must "leapfrog the fossil fuel stage as much as possible" and ultimately make real emissions reductions, and he vowed U.S. assistance toward making that happen.

Meanwhile, a flurry of European climate teams and U.N. climate chief Yvo de Boer are in town this week to discuss climate policy with the White House and members of Congress amid declarations from Obama that the United States will move aggressively to reduce emissions and join an international effort to slash greenhouse gases.

U.N. climate negotiators are hoping to craft a global pact that can be signed in December when delegates meet in Copenhagen. While the Obama administration has pledged to work toward the treaty, a good deal is hinging on what type of domestic legislation, if any, Congress can pass to reduce greenhouse gas emissions at home.

Stern yesterday said he would like to see a cap-and-trade bill "signed, sealed and delivered" before the Copenhagen conference.

"Nothing would give a more powerful signal to other countries of the world," he said, but he acknowledged that full passage of a sweeping emissions plan in 10 months is "an extremely tall order" and said second best would be a bill that is "as far along as possible" before December.

House Energy and Commerce Committee Chairman Henry Waxman (D-Calif.) yesterday said he hopes to have a draft of a global warming bill this month. He has set a goal of marking up a cap-and-trade bill by Memorial Day.

At the most recent U.N. climate change conference in Poznan, Poland, the European Union suggested that industrialized countries cut emissions 25 to 40 percent from 1990 levels by 2020. The proposal mirrored a recommendation made by the Intergovernmental Panel on Climate Change.

And Stavros Dimas, E.U. commissioner for environment, yesterday urged the Obama administration to identify its midterm targets. He noted that the European Union has called for a 30 percent reduction from developed nations as a group but said "for the United States, it could be more, or it could be less" ([ClimateWire](#), March 1).

Acknowledging different 'political realities' in Washington

Stern yesterday said that for America, the idea is "a prescription not for progress but for stalemate." He noted that the sweeping cap-and-trade measure sponsored by Sen. Joe Lieberman (I-Conn.) and former Sen. John Warner (R-Va.) that failed the Senate last year didn't come close to those levels. That bill sought a 20 percent reduction below 2005 levels.

"It's not gonna happen," Stern said. "The greatest friends of this issue on Capitol Hill are not pushing for that to happen."

Chris Flavin, president of the Worldwatch Institute think tank, praised Stern's comments.

"It's good that he was frank about some of the difficulties with the Europeans," Flavin said. "It was a warning shot that they better get serious about recognizing that we and the Europeans are not going to get to the same numbers starting from a 1990 baseline."

Elliot Diringer, vice president for international strategies at the Pew Center on Global Climate Change, said Stern was simply "reflecting the political realities here in Washington."

Overall, negotiators and analysts hailed the speech as an unmistakable signal from the Obama administration that the United States is serious about getting a global deal.

"There was an unequivocal statement that we are going to make reductions," said World Resources Institute President Jonathan Lash. "I just haven't even heard a U.S. official be explicit and concrete and clear that way."

Poland's climate ambassador, Janusz Reiter, called Stern's comments "exactly the mix of idealism and pragmatism that is the right formula for the process."