

MEMO TO: Editorial writers and reporters
RE: Sen. Lugar's climate and energy bill
FROM: Emily Robinson, Union of Concerned Scientists, 312-578-1750 x15
DATE: June 7, 2010

This afternoon, Sen. Richard Lugar (R-Ind.) is expected to announce his "Practical Energy and Climate Plan," an alternative to the "American Power Act," which was introduced by Sens. John Kerry (D-Mass.) and Joseph Lieberman (I-Conn.) last month. Lugar's bill aims to achieve many of the same goals as the Kerry-Lieberman legislation: reduce global warming pollution, increase renewable energy use, and cut the nation's oil addiction.

According to the Union of Concerned Scientists (UCS), the Lugar bill wouldn't do the job. It would fail to cut global warming emissions to the level scientists say is necessary to avoid the worst of consequences of climate change. It would fail to ensure any new near term renewable energy development beyond existing requirements. And it would not go far enough to reduce U.S. dependence on oil.

Lugar has been a leader in Congress on clean vehicles, renewable fuels, and international climate negotiations for years. He also recognizes the threat posed by climate change and the need for action to reduce emissions. So it is disappointing that his proposal misses an opportunity to address the threat and create new jobs in Indiana.

Nearly all of Indiana's energy supplies come from oil, natural gas and coal imported from other countries or states, making energy dollars one of the state's largest exports and exposing its residents to oil, gas and coal price spikes. It doesn't have to stay that way. As the nation's freight transportation hub with strong agriculture and manufacturing sectors, Indiana is well-positioned to benefit from a new clean energy economy.

A strong comprehensive federal climate and clean energy bill would help spur new jobs in Indiana to weatherize homes; produce homegrown energy from crops, wind, solar, geothermal, biogas, and other sources; and design and build high-tech energy-efficiency and clean-energy technologies. These new technologies could be implemented at home and exported around the globe. We are at the cusp of the next industrial revolution, and the Midwest can lead the way.

With the Lugar bill becoming public next week and the Senate set to debate climate and energy legislation this summer, now is a good time to weigh in on this issue. Because the Lugar bill would not ensure the clean energy transformation we need to generate new jobs, strengthen our energy independence, and protect the planet, we urge you push Congress to support a much stronger bill with a cap on carbon pollution. The Lugar bill would not do enough.

To arrange an interview with a UCS expert on any aspect of the Lugar or Kerry-Lieberman legislation, contact UCS Press Secretary Emily Robinson at 312-578-1750 x15 or erobinson@ucsusa.org.

SPECIFICS ON THE LUGAR BILL'S SHORTCOMINGS

1. It would not hold polluters accountable for their global warming emissions. By failing to include a cap or limit on global warming pollution, the bill would achieve only a 9 percent decrease in emissions from 2005 levels by 2017. The target is well below the near-term target scientists say is needed to avoid the worst of climate change. Conversely, the "American Power Act" would reduce emissions to 17 percent below 2005 levels by 2020.

2. It would not reduce transportation emissions beyond current law. UCS supports transportation proposals in the bill, which include higher fuel economy standards, vehicle “feebates,” and the expansion of low-carbon cellulosic biofuels. However, most of the provisions already are federal law. The BP oil well disaster is a reminder of how important it is to curb U.S. dependency on oil. The Lugar bill would not.

3. It would not ensure near-term renewable energy deployment beyond business-as-usual. Unlike most of the renewable electricity standards adopted by 29 states, Lugar’s proposed clean energy standard would give credit to new, non-renewable sources of energy such as retiring coal plants, carbon capture and sequestration projects, and capacity additions to nuclear power plants. A analysis by UCS found that this approach could result in the deployment of fewer true renewables in the near term -- less than the business-as-usual level that would result from current state policies.

A recent [study](#) found that Indiana’s workforce would grow by 5,000 new jobs by 2020 and as many as 10,000 new jobs by 2025 if a strong federal renewable energy policy were enacted. These results are consistent with a similar UCS [analysis](#), which found that a national standard requiring utilities to generate 25 percent of their electricity from renewable sources by 2025 would create 297,000 jobs nationally and save Indiana residents \$2.12 billion dollars annually that year.

4. It includes a loophole that would allow utilities to avoid using renewables. Utilities could simply pay an alternative compliance fee instead of purchasing renewable energy. The proceeds of that fee would then automatically flow into state accounts that could be used by the utility for deploying non-renewables such as nuclear and carbon capture and sequestration projects. The net result could be that the alternative compliance monies paid by the utility could simply flow through a state fund and back to the utility without utilities deploying any new renewables.

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The Union of Concerned Scientists is the leading U.S. science-based nonprofit organization working for a healthy environment and a safer world. Founded in 1969, UCS is headquartered in Cambridge, Massachusetts, and also has offices in Berkeley, Chicago and Washington, D.C. For more information, go to www.ucsusa.org.