

UJAE Unions for Jobs And the Environment

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Newsletter

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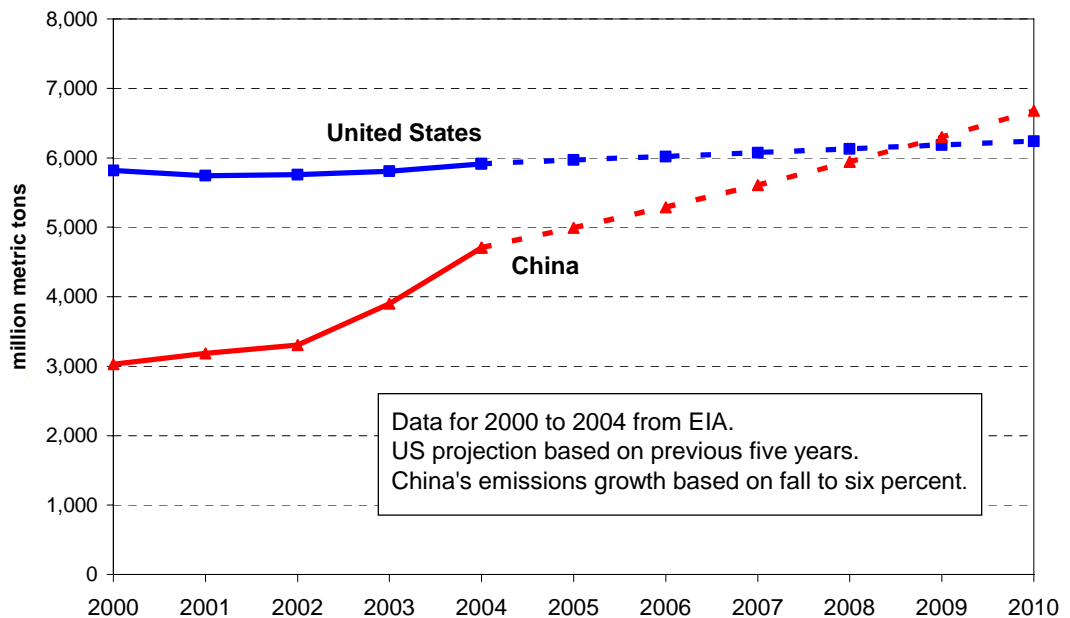
Bill Cunningham

China greenhouse gas emissions to overtake US sooner

The rapid growth in greenhouse gas emissions in China have led forecasters at the International Energy Agency to predict that China's carbon dioxide emissions will overtake those of the US before 2010, a decade earlier than previous predictions.

China's rapid production of greenhouse gases is a tricky issue for global environmental policy, because as a developing country, it is exempt from the provisions of the Kyoto protocol that require a reduction in emissions. The IEA predicts developing countries will account for three-quarters of the increase in global carbon dioxide emissions between now and 2030, passing industrialized countries around 2012.

Carbon Dioxide Emissions for the US and China Projected to 2010



Legislative proposals for limiting US greenhouse gases

(Comparisons and graph excerpted from an article by Gene Trisko)

Carbon dioxide emission reduction requirements of several climate change proposals are compared here that are before Congress. Also included are estimates of the reductions potentially associated with a nationwide expansion of the Northeast RGGI and California climate change initiatives. These reduction requirements are shown relative to EIA's business-as-usual base case projections to 2030.

Because some proposals address emissions of greenhouse gases other than carbon dioxide, only energy related CO2 reduction requirements are included in this comparison for the sake of comparability.

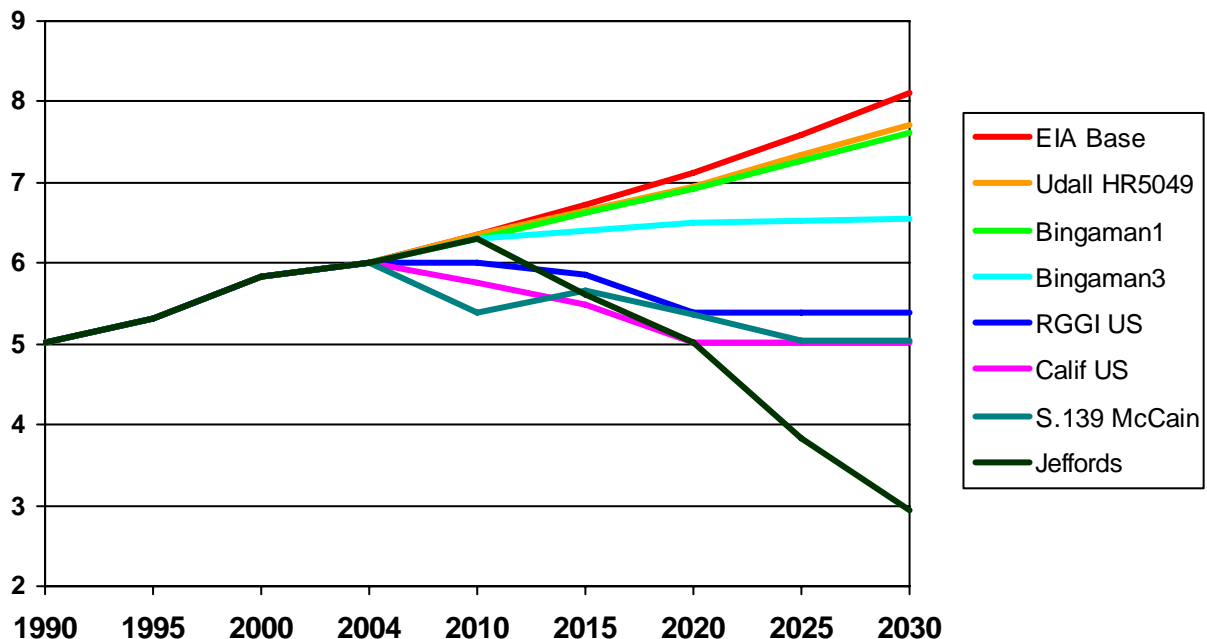
The proposals examined are:

- **S. 139 – the McCain-Lieberman Bill**
- **“Bingaman 1”** – the 2005 draft proposal developed by Senators Bingaman and Domenici, modeled on the recommendations of the National Commission on Energy Policy and the Bush Administration’s voluntary targets for CO2 emission intensity Per dollar of GDP.
- **“Bingaman 3”** – a more stringent version of the Bingaman-Domenici proposal modeled by EIA with more aggressive emission intensity targets.
- **HR 5049** – Introduced by Rep. Udall in 2006 based on the Bingaman-Domenici 2005 proposal.
- **“RGGI US”** – The Northeast Regional Greenhouse Gas Initiative, assumed to apply nationally and to all sources of energy-related CO2 emissions.
- **“California US”** – California Assembly Bill 32 (AB 32), assumed to apply nationally, requiring emissions from all sectors to be reduced to 1990 levels by 2020.
- **Jeffords (I-VT), S. 3698**, would require the U.S. to reduce its greenhouse gas emissions between 2010 and 2020 to 1990 levels; and to 80% below 1990 by 2050.

Summary of results

The chart below displays the emission trends associated with these six climate change proposals from 1990 to 2030 relative to the Energy Information Agencies’ (EIA) base case emissions forecast.

**Energy-related CO2 emissions: EIA base case
And alternative climate proposals
(Billion metric tons of CO2 emissions)**



The Jeffords Bill S. 3698, is the most stringent proposal requiring an 80% reduction below 1990 by 2050.

The California (AB32) and McCain-Lieberman proposals would require U.S. energy-related CO2 emissions to be reduced to 1990 levels by 2020 and 2016, respectively. McCain-Lieberman would not achieve the full reduction to 1990 levels due to its offset provisions.

The Northeast RGGI plan, expanded nationally and applied to all energy-related CO2 emissions, is slightly less stringent than AB32 or McCain-Lieberman. RGGI is a two-phase program, capping emissions in affected states at “current” levels until 2015, and requiring a reduction 10% below these levels by 2019. The projections shown here assume a cap at 2004 levels until 2015, with a 10% reduction below this level by 2019.

The two least stringent alternatives are “**Bingaman 1**” and **HR 5049**. These proposals would allow national energy-related CO2 emissions to track just below EIA’s projected business as usual base case. By 2030, HR 5049 would reduce national CO2 emissions by 400 million metric tons below the EIA base case, a 5% reduction below 2030 projected emissions, and an increase of 1.7 billion metric tons above 2004 actual emissions. “Bingaman 1” was not formally introduced as legislation, due to lack of final agreement by the bill’s potential cosponsors.

“**Bingaman 3**,” a more stringent version of the initial Bingaman proposal, would provide an intermediate emissions path above the McCain and California approaches but well below the EIA base case. Relative to 2004 actual emissions, Bingaman 3 would allow CO2 emissions to increase by some 550 million metric tons by 2030 while meeting an aggressive 3.5% annual GHG intensity reduction goal. Compared to projected base case emissions, Bingaman 3 would reduce 1.6 billion tons of CO2 annually by 2030, a 19% reduction.

Discussion

The proposals developed by Bingaman-Domenici and Rep. Udall require substantially smaller aggregate reductions of CO2 emissions than California AB32 or the Northeast RGGI plan, if expanded to cover the entire United States.

The Udall and Bingaman-Domenici proposals (Bingaman 1) were developed in light of the contentious Senate debates rejecting the McCain-Lieberman bills (S.139 and S.A. 2028). In 2003 and again in 2005, Senate opponents cited the high consumer costs and disruptive energy market impacts of the McCain-Lieberman measures.

Both California and the Northeast have relatively low growth rates of greenhouse gas emissions compared to the rest of the country. As such, the impacts of these climate change measures outside of the states and regions to which they now apply would be disproportionately greater than their impacts in California and the Northeast. Any efforts to expand these initiatives beyond these areas likely would generate consumer cost and energy market impacts similar to those associated with the McCain-Lieberman bill.

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