

CLIMATE: Dingell, Boucher release draft cap-and-trade bill

10/07/2008 at 12:23 PM

Darren Samuelsohn, *Greenwire* senior reporter

Two powerful House Democrats unveiled a long-awaited draft global warming bill today that will serve as a key guidepost for next year's Capitol Hill debate on climate, energy and economic policy.

In their 461-page bill, Energy and Commerce Chairman John Dingell of Michigan and Energy and Air Quality Subcommittee Chairman Rick Boucher of Virginia propose a cap-and-trade system that would cover about 88 percent of U.S. heat-trapping greenhouse gas emissions. It includes restrictions on electric utilities, petroleum producers and importers, large industrial plants, producers and importers of bulk gases, natural gas and local distribution companies and geologic sequestration sites.

The Dingell-Boucher plan would give U.S. EPA the authority to deal with smaller industries that release less than 25,000 tons of greenhouse gases per year.

Under the proposal, U.S. emissions would decline to 6 percent below 2005 levels by 2020, 44 percent below 2005 levels by 2030 and 80 percent below 2005 levels by 2050.

Hydrofluorocarbons would be covered separately from other greenhouse gases through an amendment to the Clean Air Act.

The draft outlines a number of options for distributing emission credits and containing costs to the U.S. economy. In a memo to committee members, Dingell and Boucher said they are offering "clear policies in areas where we have learned enough to set forth recommendations."

Hearings and a legislative markup of Dingell's proposal won't come until 2009, when Democrats are expected to hold larger margins in both the House and Senate.

House Speaker Nancy Pelosi (D-Calif.) has said she will make cap and trade a top priority next year, though she will also have to juggle the issue with other high-profile needs for the next administration, including an economic crisis and wars in Afghanistan and Iraq. On climate policy, both presidential candidates -- Republican Sen. John McCain of Arizona and Democratic Sen. Barack Obama of Illinois -- support cap-and-trade legislation.

In the House, Dingell and Boucher have spent the last two years going over the details of how to shape U.S. climate policy. They have chaired more than a dozen hearings on the issue and have also released several "white papers" that raise key questions for other lawmakers about developing country emissions and state climate laws.

In their memo to committee members, Dingell and Boucher urged Republicans to start negotiations. "Reaching a consensus on a national approach to addressing climate change will be difficult under the best of circumstances," they said. "Reaching consensus if people are unwilling to engage in discussion of difficult issues will be impossible."