Bush Reverses Policy on Cuts in Carbon Dioxide Emissions.

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PRESIDENT BUSH REVERSED HIS POLICY on climate change last week, saying a campaign pledge to seek federal limits in carbon dioxide (CO2) emissions at power plants is inconsistent with the current need to mitigate the high cost of energy in the U.S. Bush says "an energy crisis" threatening the U.S. economy led him to decide against [CO.sub.2] regulations.

Bush's move marks his first split with EPA Administrator Christine Todd Whitman, who testified at a Senate hearing in February that the Bush Administration would advocate a marker-based approach to limiting [CO.sub.2] based on a cap-and-trade system for utilities. Whitman disagrees with Bush's change in position, industry sources say, but EPA says it will follow the president's lead on global warming policy.

Business groups are worried that a [CO.sub.2] cap placed on utilities would lead to similar limits on emissions from chemical makers and other manufacturers, sources say. ACC supports Bush's reversal, says Jim McIntire, co-leader of the association's electricity and global climate change issue team. McIntire echoes Bush's concern about rising energy costs and says [CO.sub.2] regulations would hold up the White House's hope to form a new, long-range, national energy policy (CW, March 7, p. 16).

Environmental groups and some leading Democrats, however, have taken Bush to task for what they say is his first major turnaround on environmental policy. "He is pasting a big anti-environment label all over the Republican Party," says National Environmental Trust (Washington) president Philip Clapp. Senator Hillary Rodham Clinton (D., NY) calls the Bush reversal "a broken promise and a bad omen for our children, our environment, and America's position of leadership in the world."

Bush during the 2000 campaign backed proposals in Congress to cap and trade [CO.sub.2] emissions from power plants, which analysts say would force many utilities to quickly switch from coal to natural gas. Such a switch, however, would exacerbate high energy prices, Bush said in a March 13 letter to Senator Chuck Hagel (R., NE) that outlined his policy reversal. Hagel is an opponent of the Kyoto Protocol, an international treaty aimed at curbing [CO.sub.2] emissions, and had asked Bush to clarify the White House's position on climate change.

Bush opposes the Kyoto Protocol in its current form but has authorized administration officials to restart negotiations with other nations this summer. The U.S. is being pressured by European advocates of the protocol to finalize the agreement (CW Dec. 13, 2000, p. 33).

Senator Robert Smith (R., NH), a proponent of cap-and-trade legislation, says he wants to broaden an existing Clean Air Act program that permits utilities to trade in sulfur dioxide ([SO.sub.2]) emissions to include [CO.sub.2], nitrogen oxides, and mercury. Many Democratic leaders also support the idea. Trading would be a sensible way to reduce [CO.sub.2] emissions, says Smith, who adds that he will attempt to craft a bill to fir Bush's new position.