Can We Regulate Our Way Out of Climate Change?

By Amy Harder
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Bypassing Capitol Hill, President Obama is throwing his political power behind his administration's actions to combat global warming.

“For the sake of our children, and the health and safety of all Americans, I’m directing the Environmental Protection Agency to put an end to the limitless dumping of carbon pollution from our power plants, and complete new pollution standards for both new and existing power plants,” Obama said last week in a speech at Georgetown University on a 90-degree, humid day.

Throughout his first term in the White House, Obama used EPA regulations as a stick to prod Congress to pass comprehensive legislation that put a price on the greenhouse-gas emissions that scientists say cause global warming. Obama said several times that EPA wasn’t his first option to tackle climate change. Now that he has failed to get such a bill through Congress, the president is prepared to fight the problem through his EPA. He did, however, leave the possibility of compromise on the table.

“I am open to all sorts of new ideas, maybe better ideas to make sure that we deal with climate change in a way that promotes jobs and growth,” Obama said later in his speech.

Is EPA the best way to attack climate change? If not, what other ideas would be better? Do these ideas have the ability to gain bipartisan support on Capitol Hill?

With EPA now actively working on regulations to control greenhouse-gas emissions from existing power plants, will this be enough of a threat to force Congress to come up with another, potentially better solution?

From the Energy Insiders

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As a result of the Supreme Court's 2007 decision in Massachusetts v. EPA, in which the Court determined that greenhouse gases (GHGs) are air pollutants, EPA is regulating GHG emissions. So, while the Clean Air Act was not designed for addressing global emissions, Clean Air Act regulation of GHG emissions is moving forward.

Emission control regulations, however, do not address the technological challenges industries face in meeting the climate challenge. We need to develop and deploy new, perhaps revolutionary, technologies to reduce GHG emissions. We need cleaner, more efficient fossil fuel power plants, as well as greater energy efficiency
in our homes and businesses; energy storage systems that allow us to better utilize renewable resources, including solar and wind power; carbon capture and storage; the building of new nuclear units and increased capacity of existing ones; more widespread adoption of electric vehicles; and greater electrification of the transportation sector. All of this must be accomplished at costs that are affordable for our customers.

The Clean Air Act was not designed to support the research, development and implementation of these technologies, which is what the President is calling for. The Administration and Congress must thoroughly consider the impacts that regulating or legislating carbon emissions will have on the nation’s consumers — many of whom remain mired in economic doldrums. While coal use has been declining based on US markets shifting toward natural gas, it still supplies over 40% of our nation’s electricity. Limiting its potential arbitrarily and artificially via fiat will present a significant set of challenges that need to be carefully analyzed before we move forward with anything as ambitious as the President has outlined.

Although the President’s Climate Action Plan does include some positive measures — including thoughtful development of renewable electricity on federal lands, streamlined permitting for electric transmission, and support for small modular nuclear reactors, the biggest concern for consumers undoubtedly focuses on the forthcoming EPA carbon limitations on existing and new power plants. Reading between the lines of the President’s plan, there are also hints at restrictions on the development, deployment, and efficiency of carbon capture and sequestration.

President Obama has been left little choice but to deal with greenhouse gases through the Environmental Protection Agency. To that end, his announcement that his administration will subject existing power plants to regulation is one of the best stand-alone actions he could take. By doing so, he corrects over 40 years of bad policy—not just environmental and public health policy, but economic policy as well, under which federal regulation of new sources did not generally extend to existing sources.

First, Congressional action would clearly be the best way for our nation to tackle the threat of climate change. Unfortunately, too many of our leaders choose to ignore the overwhelming scientific consensus that our carbon emissions are causing serious harm to our planet. Because they turn their faces away from the facts, negotiating or waiting for movement on Capitol Hill would be a bad strategy at this time.

Absent a realistic legislative option, focusing on coal-fired power plants, which have the nation’s biggest share of emissions, is the president’s best option. But if the president were to only regulate those sources newly coming online, and not those already spewing harmful emissions into our air, he would create perverse incentives to pollute, continuing the nearly half century of bad policy on this matter.

Too often, the EPA has allowed unhealthy, outdated technology slide past new environmental standards. The road toward healthy air and water is made longer and rougher because rules for new technologies consistently go without corresponding regulations for existing ones. This pattern creates huge disincentives against technological innovation, keeping dirty, existing plants in operation far longer than they would without the gap in the regulatory approach. Companies then have significant incentives to keep older, dirty plants running, and nearly none to build cleaner ones.
The risk: little or no change in the output of pollutants. That’s why, now that the president is getting serious about fighting climate change, the grandfathering of existing plants had to go out the window. It does not help to regulate new power plants when they are unlikely to be built at all if existing sources are exempted from regulation.

As the president mentioned in his remarks last week, even this action will not be enough to properly check our greenhouse gas emissions. As I wrote previously, the best option would be an economy-wide price signal that adds the damages caused by carbon into the cost of our energy and allows companies to come into compliance cheaply. But in lieu of that, the president’s move to bring old power plants into line is a powerful step forward.

Donna Harman  •  6 hours ago
Administration’s Climate Plan Should Recognize the Carbon Neutrality of Forest Products Manufacturing Residues

New government regulations that threaten to increase the cost of manufacturing without taking into account the economic, social, and environmental contributions provided by the paper and wood products manufacturing industry should be avoided.

Our industry already faces additional capital costs of roughly $14 billion from recent and upcoming Clean Air Act rules, and our investments in highly-efficient biomass energy reduce greenhouse gas emissions by displacing fossil fuels with woody residues that would have decayed anyway. On average, about two-thirds of our energy comes from carbon neutral biomass energy and our products help create market demand to keep land in forests that sequester carbon rather than development.

EPA’s upcoming framework and regulations on biogenic carbon provide an excellent opportunity for EPA to recognize that paper and wood products manufacturers prevent further increases in carbon in the atmosphere by using

Jack Rafuse  •  10 hours ago
Keystone: A Climate Neutral Solution

President Barack Obama outlined his comprehensive plan to decelerate global climate change, largely targeting coal, in his keynote speech on Tuesday at Georgetown University. But, in a deft mention of Keystone, the President managed to appease both supporters and opponents of the pipeline. The President asserted: “Allowing the Keystone pipeline to be built requires a finding that doing so would be in our nation’s interest….The net effects of the pipeline’s impact on our climate will be absolutely critical to determining whether this project is allowed to go forward. It’s relevant.” If the President decides to listen to sound science — instead of his billionaire supporters — then the much-reviewed Keystone pipeline should receive the green light with haste.

Here are the facts: the Keystone project, which will deliver energy resources from Canada and the northern United States to refineries and ports on the Gulf Coast, was first introduced for approval in the United States four years ago. The review process has been rigorous. Multiple regulatory bodies have written extensive reports on the safety of the pipeline leading to over 15,500 pages of data and other

Bernard L. Weinstein  •  @nyeco
When President Barack Obama recently directed the Environmental Protection Agency to put an end to “the limitless dumping of carbon pollution from our power plants,” he was obviously relying on hyperbole and not facts. Mainly because of the substitution of natural gas for coal in power generation, as well as cleaner burning and more fuel efficient motor vehicles, CO2 emissions
today are lower than they were 20 years ago. Even without new directives and mandates from Washington, CO2 levels from fixed and mobile sources would continue to fall. But begging the question of whether America is already doing more than its fair share to fight global warming, can we expect government agencies, such as the EPA, to regulate the economy towards a carbon-free future?

Assuming no pushback from Congress and industry lobbyists, in theory the EPA could move us toward the carbon-free nirvana that is the ultimate goal of the environmental community. But at what cost in terms of lost jobs, higher energy prices, and limited consumer choice?

The EPA is not the best way to attack climate change. Though federal law requires agencies like the EPA to calculate the costs and benefits of its proposed rules, these efforts are more extensive in Washington than in the field. The Environmental Protection Agency (EPA) can make a serious dent in carbon pollution and definitely should. President Obama’s recent speech on the subject of climate change makes clear that he intends to use the agency extensively to combat the global threat in a flexible, cost-effective manner.

The Center for Clean Air Policy, which I head, has run some numbers and has concluded that EPA regulation can reduce CO2 emissions from power plants by between 20 percent and 25 percent by 2020. This can be accomplished in large measure through expanded use of underutilized natural gas power plant capacity and greater deployment of combined heat and power technologies. The remainder of the cutbacks can be accomplished using energy efficiency and renewable energy.

The president has called on the EPA to encourage flexible, market-based mechanisms under power plant greenhouse gas regulations. California’s carbon trading program and the Regional Greenhouse Gas Initiative (RGGI) in the Northeast are models for programs that could fulfill states’ need to meet EPA requirements. Flexible, market-based programs like these allow for cost-effective and predictable carbon pollution. The Clean Air Act can’t solve the GHG problem (Elinore’s Law)

Ozone is bad news for your lungs and exposure to ozone can lead to serious lung ailments like asthma, which struck my mother when I was young. I remember her wheezing and gasping for breath as I carried the meal tray to her bed. She struggled for a whole year before it took her life.

It’s all chemistry: power plants burn coal; the exhaust pollutants combine in the atmosphere to create ozone. And it is such a problem that the nation has gone to great lengths to reduce ozone pollution. The good news is, once you stop adding those pollutants to the air you stop having the problem with ozone; it reacts quickly and levels return to normal. For ozone this reaction is so quick that the cooler temperatures at night can be enough to greatly reduce ozone levels within 30 minutes.

In very simple terms we can look on this class of pollutants this way. We add a ton of pollution to the air today; it does a ton of damage today. Later in the evening that ton goes away. Tomorrow we start again and add a ton. Each day a ton is added and a ton goes away. So we have a simple relation: raising the amount of pollutant
Gun control, the slim chance that immigration reform will make it through the house, the inability of our legislative body to come up with answers for our fiscal woes or even to govern itself without a level of dysfunction that makes your teeth itch; let's not act like Congress represents the electorate. There is no need to repeat the gory details of how our system became broken: if Congressional inaction is proof something isn't a problem, there must be a lot of good things going on out there that just seem like pressing problems to those of us in the cheap seats.

The fact is that the jury has been in on the science for a long time, and public opinion is catching up. (Google: Yale Project on Climate Change. It's not even close) And nine months is pretty much forever in these times, but remember the President was just decisively re-elected, and he wasn't keeping his climate positions secret.

So please spare us the big-bad government boogeyman and the coming-dictatorship.

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Michael Canes  
2 days ago

Regulating Greenhouse Gas Emissions

President Obama’s proposal to regulate power plant greenhouse gas emissions through regulatory means strikes me as a political gamble that has only limited prospects of success. In a sense, both sides that are forming on this issue are right, but in the end the one is likelier to prevail than the other.

First, the President’s side of the argument. There is value in curtailing GHG emissions because of the possibly disastrous climatic consequences of allowing such emissions to rise without restraint. Congress will not support the pricing of emissions so even though regulatory actions are cumbersome and costly, they are the best means available at this time. Curtailing coal use also will have other environmental benefits so on balance this is a reasonable step to take.

Now the other side. Even if GHG emissions constitute a danger, unilateral U.S. steps such as that proposed by the President are useless if not worse. The single most important factor affecting future worldwide GHG emissions is the rising use of coal and oil in China, India and other developing countries, and unless this reverses nothing the U.S. does will have much effect. Further...

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William O'Keefe  
2 days ago

A Fate Worse Than Climate Change

As the theoretical underpinnings of the climate change orthodoxy continue to unravel, President Obama responds by further expansion of the regulatory state to pursue his grand illusion. What he is proposing is inconsistent with the state of knowledge about the climate system, inconsistent with economic and energy realities, and inconsistent with our constitutional form of government. It will fail because it is detached from reality but the cost of failure will not be trivial.

Congress is supposed to make laws to be implemented by the Executive Branch. He knows that he could not possibly get his most latest proposals enacted into law. Indeed, he could not get 60 votes in the Senate and probably not 50. There is good reason why Congress has refused since 1997 to enact major climate legislation. Senators and Congressmen, reflecting the views of their constituents, have refused to pass laws that would damage the economy, retard economic growth, kill jobs while doing nothing to influence the climate system.

Instead of accepting that reality, the President is acting as a sovereign who wills his appetites into use their regulatory power to constrain the use of carbon. And...
Last week, the Centers for Disease Control and Prevention issued a report citing that America could slow its obesity epidemic through a calorie tax. By putting a price on calories, much like we did with tobacco to slow tobacco use and ultimately the cancer epidemic in our country, we could make America healthier, save lives, and undermine the health risks associated with obesity. This is exactly what New York Mayor Mike Bloomberg is calculating and considering when limiting excessive and unhealthy access to sugary sodas.

The same goes for carbon, which is why regulation must be a primary tool. Yes, the private sector will go, and is going, green, whether for profit’s sake, public relations motive, employee priority, or a genuine corporate commitment to sustainability. The public sector is doing the same for similar reasons. But all of this, no matter how much, or how well intentioned, will still be insufficient. It won’t be enough to prevent global warming or mitigate the negative impacts of climate change.

Even if the Environmental Protection Agency puts a strict cap on carbon emissions from coal-fired power plants, it still won’t stop the bleeding—which is why we have...