



December 5, 2007

Dear Senator,

On behalf of the members and supporters of Friends of the Earth-US and Greenpeace USA, we are writing to express our continued opposition to the America's Climate Security Act, S. 2191 as currently drafted. We wish to thank Chairwoman Boxer and Senators Lieberman and Warner for improving the bill since its original introduction, particularly in the inclusion of funding for international adaptation, public transit and renewable energy. Unfortunately, despite these improvements, the bill fails to meet the thresholds required to avoid the most harmful impacts of global warming.

If dramatically improved the underlying structure of S. 2191 can ultimately be the heart of our national effort to stop global warming, but this is dependent on strengthening the bill in several respects. Areas in need of strengthening include:

**Reduction Targets:** We need to reduce our global warming emissions by an estimated 80-90 percent below 1990 levels by 2050 to avert the most serious consequences of global warming. The legislation does not set us on a path to meet this long-term reduction target, and should be strengthened significantly. In addition, short-term targets need to be set to reduce emissions on the order of 30 percent below 1990 levels by 2020. The bill must also contain a strong scientific review to ensure that the targets are inline with the best available scientific data.

**Eliminating Giveaways:** As currently drafted, the bill handouts between \$360 and \$463 billion in free permits over 19 years. The corporate giveaway creates windfall profits, while taking vital resources away from easing America's transition to a clean energy future. These permits must be auctioned. In addition, auction revenue must not be spent to promote nuclear power, advanced coal and sequestration or other energy technologies that are not sustainable.

**Making a Real Commitment to International Adaptation Needs:** The United Nations recently reported that the world will need to provide \$86 billion a year by 2015 for developing countries to adapt to the impacts of climate change. While the bill makes some progress in addressing our moral obligations internationally, more needs to be done.

While we currently oppose the bill, there are a set of amendments that if adopted, would allow us to withdraw our opposition. We urge the committee to adopt the following amendments:

#### **Clinton Amendment #1**

**Elimination of Free Allowances and Bonus Allowances:** This amendment would eliminate the free allocation of carbon permits to fossil fuel fired electric

generators, rural cooperatives, energy intensive manufacturing, petroleum producers or importers and HFC producers, forcing these industries to buy permits in an open auction. In addition, the amendment eliminates bonus allowances for carbon capture and sequestration.

#### **Sanders Amendment #4**

**Emission Reduction Targets:** This amendment would require the EPA Administrator to promulgate rules to revise the post-2020 emission allowance table in Sec. 1201 (d) and promulgate further rules in order to achieve an 80 percent reduction in all U.S. global warming emissions by 2050, as compared to 1990.

#### **Sanders Amendment #5**

**Scientific Review:** This amendment would require the EPA Administrator, following a report by the National Academies of Sciences (required by the underlying language), to promulgate regulations to tighten the emissions caps if the latest science suggests that we are not on track to avert a 2 degree Celsius increase in global average temperature. The language explicitly recognizes that Congress should be given an oversight role by saying that any regulations promulgated under this language would be subject to the Congressional Review Act.

In addition to these amendments, we urge you to support:

#### **Cardin Amendment #1**

**Funding for EPA:** This amendment would provide the funding necessary for EPA to monitor, enforce, and administer a cap on carbon dioxide.

#### **Carper Amendment #4, Cardin Amendment #2, and Lautenberg Amendment #5**

**Increased funding for Public Transportation and Passenger Rail:** These amendments would give states financial incentives to develop transit, passenger rail, and other options that can reduce transportation related carbon dioxide emissions. Developing transit systems are vital to ensuring that we can sufficiently reduce global warming emissions from the transportation sector.

#### **Clinton Amendment #2**

**Reduce Coal Subsidies:** This amendment reduces the amount of auction revenue given through the "advanced coal and sequestration" program under the Energy Deployment and Technology Fund limiting the investment in carbon capture and sequestration to what is necessary to commercialize the technology. The amendment disperses unused funds to other programs in the Energy Deployment and Technology fund for purposes such as sustainable energy and cellulosic ethanol development and deployment.

#### **Sanders Amendment #3**

**Standard for Receiving Bonus Allowances:** This amendment would strike the portion of the bill that describes the emission performance standards that make a project eligible to receive bonus allowances (a tiered approach) and would insert in its

place the eligibility language as it was voted out of Subcommittee (an 85 percent standard).

**Sanders Amendment #6**

**Formula for Distributing Allowances to States:** This amendment would strike the portion of the formula that is based on a state's fossil fuel activities and replace that portion with language based on a state's energy efficiency efforts.

**Sanders Amendment #7**

**Reducing Offsets:** This amendment would limit the amount of offsets that could be used to satisfy the obligations of covered emitters to 420,000,000 allowances, replacing the current provision allowing 15 percent compliance through offsets.

We also urge the Committee to oppose amendments that would further weaken the bill, including any amendments that create additional subsidies for nuclear power.

Given the threat that global warming poses to our children and future generations, Congress must take more aggressive action than what is currently contained in America's Climate Security Act, S. 2191. Our organizations stand ready to assist you should you need additional information.

Thank you for your consideration.