



Turning On Citizen Power

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U.S. Congress Debates Terrible Energy Legislation

Congress and the President Align With Business-As-Usual In Energy Policy Debate

The promise of a new clean energy economy hit a brick wall in Congress this past year with the fossil fuel, nuclear and utility industries prevailing over renewable energy, energy efficiency, the US taxpayer, and the US ratepayer.

While Americans have been clamoring for a national energy policy that helps their pocketbooks and the environment, Congress has caved to special interests and has drafted bills that are nothing more than massive giveaways to the utility industry. ACES (the American Clean Energy and Security Act, a.k.a. the Waxman-Markey Bill, a.k.a. Cap and Trade), was railroaded through the U.S. House (by a vote of 219-212) without proper public input. Now the U.S. Senate has crafted its energy bills (the Kerry-Graham-Lieberman bill, CEJAPA and the Bingaman bill), which are subject to even more manipulation from the coal and utility lobbies.



The claim is that these bills will protect ratepayers, reduce carbon emissions, and help solve global warming. To the contrary, these bills would maintain business as usual in the electric utility industry.

The actual effect of the House and Senate energy legislation is to stifle the market preference for efficiency and renewables by preserving the coal industry and expanding the nuclear industry with billions of taxpayer/ratepayer dollars against market forces.

Every bill mentioned forces taxpayers/ratepayers to subsidize coal and nuclear power in order to save these industries from extinction. Although renewables and efficiency are in the mix and a cheaper option, they are clearly not the priority.

If the Market is choosing Energy Efficiency and Renewables, why do we continue to subsidize dying industries (Coal and Nuclear)?

Senator John Kerry about his current initiative to pass energy legislation:

- "We need "to include the nuclear [power] piece... or you simply won't get 60 votes. Those things won't hurt us, because *the free market will go for the fastest, cheapest technologies, wind, solar, energy efficiency, what's most affordable, makes the most sense.* So don't worry about inclusion of these other things, because the free market will choose the winners." (10/27/09, conference call with climate groups)

Congressman Henry Waxman prior to passage of his House legislation:

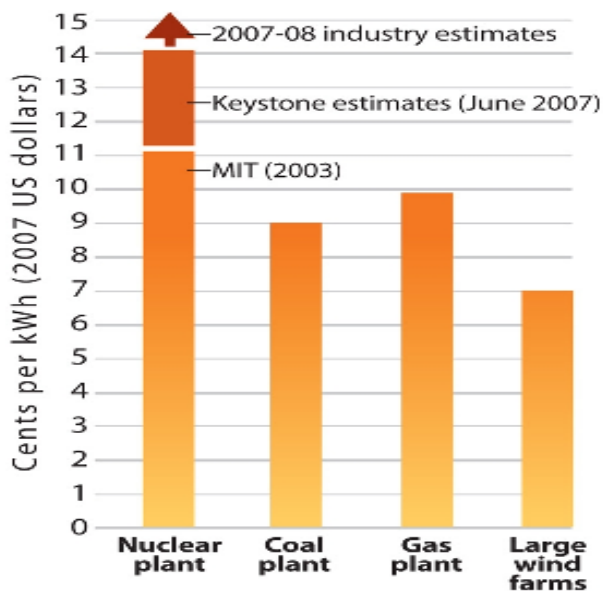
- "This is necessary to protect our planet and necessary to ensure the long-term viability of coal..." (3/10/09, Committee on Energy & Commerce)

President Obama after the House legislation passed:

- "If you look at what this (the House legislation) does for clean-coal technology...it's pretty remarkable and promises a long-term sustainable future for the coal industry that, *if we don't have this bill, frankly, is not going to be there...*" (7/29/09, Bristol Herald Courier)

Cost of new energy

While estimates vary, many energy experts agree that nuclear power will cost more per kWh than other major sources. Much of the difference comes from the investment needed to build new plants.



SOURCE: Amory B. Lovins and Imran Sheikh RICH CLABAUGH/STAFF

Clean Energy Technologies Are A Far Superior Option to Coal and Nuclear Plants

Renewable and energy efficiency technologies:

- Are more affordable to ratepayers and taxpayers.
- Can meet electric energy demand less expensively.
- Are financially less risky.
- Create more jobs.
- Can be deployed more quickly.
- Improve environmental quality and public health rather than hurting them.
- Are decreasing in cost rather than increasing in cost.

The Market Prefers Efficiency and Renewables Over Coal and Nuclear Plants

- From 2006 through 2008 over 80 coal plants were cancelled due to cost and risk.
- No new nuclear plants have been ordered since 1978.
- The wind and solar sectors are expanding rapidly.
- Wall Street considers energy efficiency a least cost, low risk approach to meeting demand, preferring to finance those projects rather than coal and nuclear.

The Ratepayer/Taxpayer-Friendly Alternative

Congress is ignoring policies that can benefit taxpayers, ratepayers, and the economy as a whole. Instead, Congress is working to protect utility stockholders at taxpayer and ratepayer expense. ***Congress should devise policies and programs that accelerate the market preference for efficiency and renewables.*** This represents the least cost approach for taxpayers and ratepayers. It also creates the most jobs and addresses air quality and carbon dioxide emissions in a cost-effective, responsible manner.

Congress should pass legislation to:

- Eliminate subsidies for coal and nuclear power and shift these dollars to R&D and deployment of renewable energy and energy efficient technologies.
- Establish a Renewable Electricity Standard of 30% by 2025.
- Establish an Energy Efficiency Standard of 15% by 2020.
- Establish a Moratorium on New Coal and Nuclear Power Plants for 5 Years to avert taxpayer and ratepayer rip-offs.
- Establish a small revenue-neutral carbon tax on coal, oil, and natural gas and use the funds to directly benefit taxpayers by paying down payroll taxes, assisting with health insurance, and supporting renewable energy and energy efficiency investments.

Take Action Now!!

Contact President Obama! Tell him to oppose these bills (ACES, CEJAPA, the Kerry-Graham-Lieberman bill, and the Bingaman bill). Urge him to call for a new energy policy that will stop coal and nuclear boondoggles and support policies that support least cost energy efficiency and renewable energy technologies (see the bullet points above). This approach will save ratepayers billions, protect public health and environmental quality, and create far more jobs than fossil fuels and nuclear power. **In other words, the President should support the least cost approach to energy policy.**

President Barack Obama

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