

*An Update*

# Washington Developments on Climate Change



キャノングローバル戦略研究所  
The Canon Institute for Global Studies

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GLOBAL POLICY GROUP®  
Washington

## Washington Developments on Climate Change



1. Setting the Stage: Climate Change in Washington
2. The Climate Debate: Key Think Tanks and Interest Groups
  - Groups first discussed in 2010
  - Other groups
3. Outlook for 2013-14



# Setting the Stage: Climate Change in Washington



## *Setting the Stage*

# Climate Change Policy in Washington

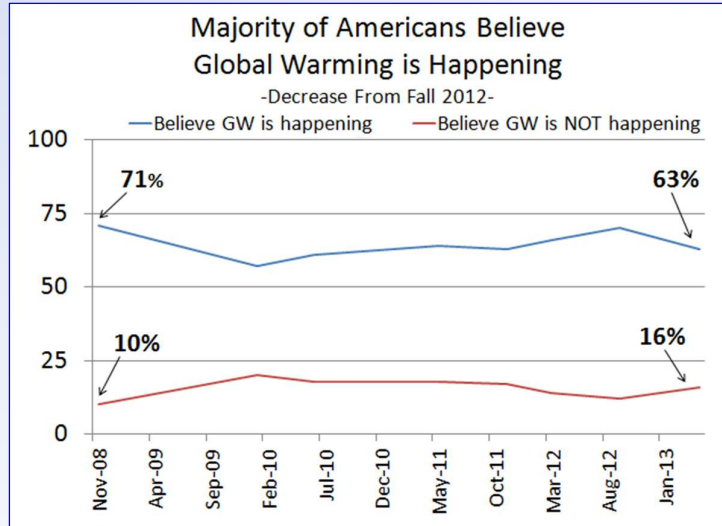


- Climate change is not a top issue in Washington
  - Many Democrats favor action, but Republicans have doubts
- Congress will not pass climate change legislation
  - Failure of Waxman-Markey bill in 2010 was last real hope for cap-and-trade approach
- Shift to reducing GHG emissions through regulation
  - Efforts by EPA face conservative court challenges
- Little Washington interest in global talks
  - Obama Administration is nonetheless engaged

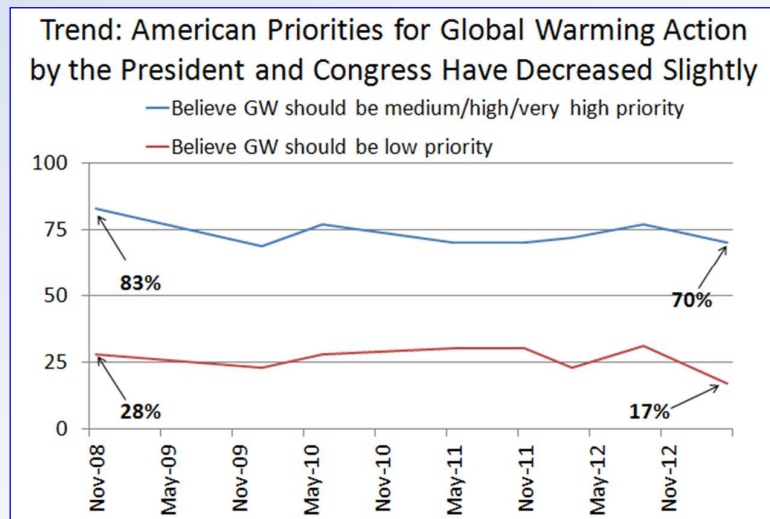




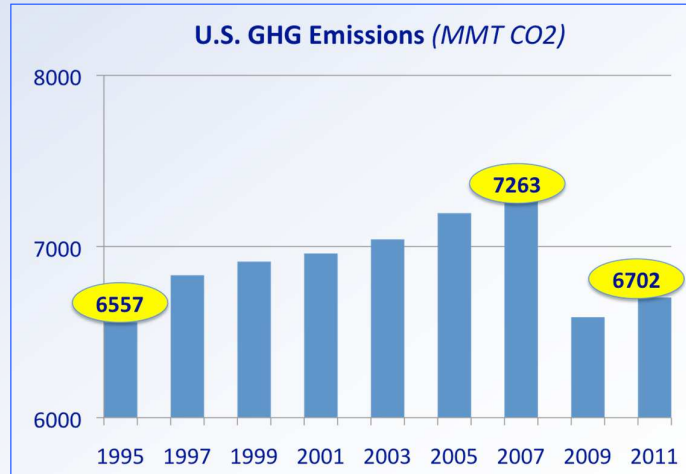
- Climate not a top public priority
  - Once-stronger public support for climate regulation fell in 2009-10 with poor economy and Tea Party attacks
  - Recent droughts and severe weather have helped revive concerns



- Little agreement on what should be done to address climate change
  - Job concerns have higher priority
  - Business community more divided than in 2008-09
  - Emergence of well-funded groups of climate skeptics and climate deniers



- Recent decline in GHG emissions reduces pressure for Washington to act
- EPA and DOE find U.S. GHG emissions are down from peaks
  - Declined 6.5% from 2005 to 2011
- EIA finds declining energy use by U.S. manufacturers
  - Energy-related CO<sub>2</sub> emissions in 2012 were lowest since 1994



- Climate legislation not on Congress' agenda
  - Almost all Republicans and many Democrats oppose cap-and-trade proposals
  - Carbon taxes are also controversial, though bipartisan discussions are being held
- Support for developing renewable sources
  - Federal government supports R&D, offers tax incentives
- Mixed picture at state level
  - California moving ahead with cap-and-trade plan
  - Other states are backing away from issue
    - Republican governors pull back from climate programs



*Setting the Stage*

## Climate Change Policy in Washington



- Obama Administration relies on *Clean Air Act* regulations to reduce GHG emissions
  - Aggressive new rules to cut emissions from passenger cars, light trucks, and heavy vehicles
    - New rules for off-road vehicles, ships, and locomotives
  - New power plants subject to permitting rules, but proposal on existing power plants delayed
- Conservative groups use courts to challenge
  - Court decisions thus far have supported EPA
  - Supreme Court hearing possible this year



*Setting the Stage*

## Climate Change Policy in Washington



- Obama Administration supports and is engaged in global climate talks
  - New U.S. proposal would let countries determine their "contributions" to a global accord
    - Shift away from enforceable "commitments"
    - U.S. wants all countries to contribute
- Proposal reflects lack of support in Washington for Kyoto-style accord
  - Congress would never approve
  - Difficult to get support for U.S. funding of international climate programs



# The Climate Debate: Key Think Tanks and Interest Groups



## *The Climate Debate*

### **Groups Active on Climate Change**



- Interest in climate change surged at Washington think tanks and interest groups in 2008-10
  - Huge interest in Waxman-Markey bill
  - Interest peaked in late 2009 before Copenhagen conference (COP-15)
  - Continued hope for Senate cap-and-trade bill kept interest high through 2010
- Failure of cap-and-trade legislation and the 2010 U.S. elections reduced the focus on climate
  - Clear that Congress would not act
  - Continued stalemate in global talks
  - Greater focus on ongoing economic problems
  - Many groups turned to "green" energy issues



## The Climate Debate

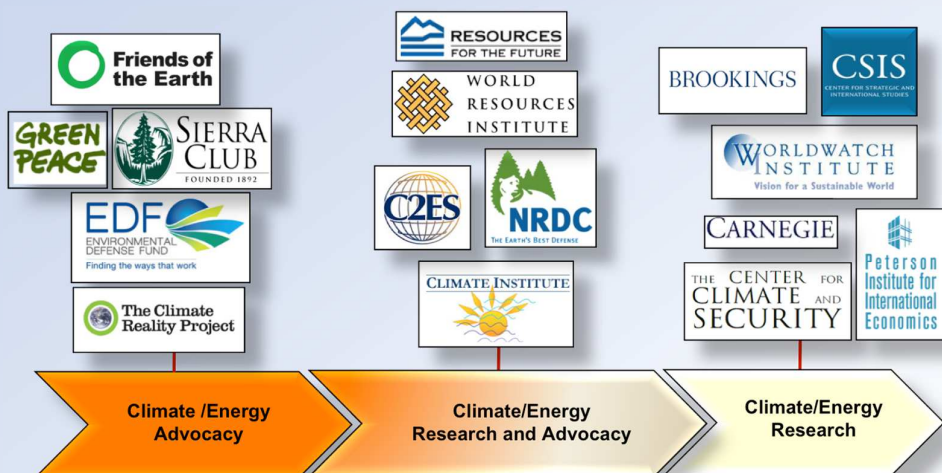
# Groups Active on Climate Change



- Most leading Washington think tanks and interest groups continue to work on climate issues
  - Some think tanks include climate within energy/environment

## The Climate Debate

# Groups Active on Climate Change



- Environmental groups both lobby and conduct research on climate issues
  - Support more aggressive efforts to cut GHG emissions
  - Feel Obama has abandoned campaign pledges

## Groups Active on Climate Change



- Emergence of conservative “climate skeptics”
  - Many industry-funded groups active in legislative, regulatory, and legal arenas



## Update on Groups Identified in GPG-CIGS Project



- GPG was commissioned by Canon IGS in 2010 to identify potential U.S. think tank partners
- Search excluded partisan institutes, groups opposed to climate change regulations, lobbying groups, etc.
  - Key factors: institute reputation, role of climate change in overall research, activities/staff focused on climate change, political orientation (if any), relationship with business community and environmental groups
- GPG developed list of 8 research/public policy groups and 3 academic institutions for CIGS



## **Update on Groups Identified in GPG-CIGS Project**

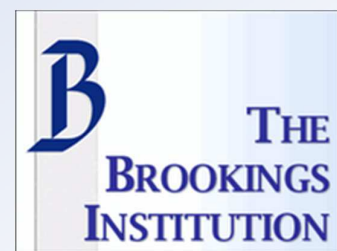


- Eight institutes identified:
  - Brookings Institution
  - Carnegie Endowment for International Peace
  - Center for Strategic and International Studies
  - Peterson Institute for International Economics
  - Pew Center on Global Climate Change (now C2ES)
  - Resources for the Future
  - World Resources Institute
  - Worldwatch Institute
- Academic research centers at Columbia, SAIS, and Stanford less likely to fit as CIGS partners

## **Brookings Institution**



- Perhaps best-known U.S. think-tank
- Broad range of expertise includes foreign affairs and domestic policy
- Moderate/left-of-center orientation
- Very well funded with large board and 200+ research fellows
- President Strobe Talbot was deputy secretary of state (Clinton Administration) and foreign correspondent
  - Climate experts include Adele Morris, Charles Ebinger, William Antholis, Timmons Roberts
- Energy/climate is one of four priority focal points



*The Climate Debate*  
**Brookings Institution**



<b>Recent Publications</b>	<ul style="list-style-type: none"><li>• Research on carbon taxes, energy and environmental policy, natural disasters, and climate change</li><li>• “The Many Benefits of a Carbon Tax” (February 2013) – part of a high-profile joint effort with AEI</li><li>• “A Fair Compromise to Break the Climate Impasse” (April 2013)</li><li>• “Climate Change and Human Mobility” (January 2013)</li></ul>
<b>Partners</b>	Resources for the Future, China Institute for Innovation and Development Strategy (forum on clean energy technologies)
<b>Recent Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• Annual Brookings Doha Energy Forum: “Implications of the Changing Global Gas Market for Middle East and Asia” (April 2013)</li><li>• Panel discussion on “Climate Policy Across the Globe: Lessons Learned and Key Challenges” (April 2013)</li></ul>

*The Climate Debate*  
**Center for Strategic and International Studies**



- Influential think tank on foreign, defense, and security policy
  - Once part of Georgetown University
- Moderate/conservative orientation
- 220+ full-time staff and many affiliated scholars
- Well funded with corporate and foundation support
- President John Harme was deputy secretary of defense
- Deep energy expertise with focus on energy security
  - Guy Caruso (DOE/EIA); David Pumphrey (DOE, IEA, APEC experience); Edward Chow (Chevron 20+ years); Sarah Ladislaw (DOE, Statoil); Jane Nakano (DOE)



## Center for Strategic and International Studies

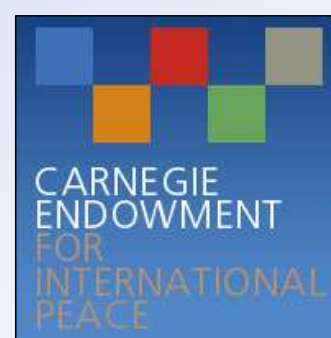


<b>Publications</b>	<ul style="list-style-type: none"><li>• Research papers and policy proposals on energy security, nuclear energy, oil and gas developments, climate change and sustainability</li><li>• "A New Climate Narrative: Climate Resilience" (January 2013)</li><li>• "Realizing the Potential of Unconventional U.S. Natural Gas" (February 2013)</li></ul>
<b>Partners</b>	Peterson Institute for International Economics, International Energy Agency
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• "The U.S.- Canada Energy Relationship" (April 2013)</li><li>• "The Energy-Water Nexus: Balancing Electricity Needs and Environmental Concerns" (April 2013)</li><li>• Energy outlooks for companies like ExxonMobil</li></ul>

## Carnegie Endowment for International Peace



- One of the country's oldest and most prestigious think tanks
- Long history of work on foreign policy and international issues
  - Offices in Beijing, Beirut, Brussels, Moscow
- Well funded; mix of corporate and foundation support
- President Jessica Tuchman Matthews has White House and State Department experience in Democratic Administrations; helped start World Resources Institute
  - David Burwell heads energy/climate program; William Chandler, Deborah Gordon, Taiya Smith are experts



## **Carnegie Endowment for International Peace**



<b>Publications</b>	<ul style="list-style-type: none"><li>• Reports and analyses on issues concerning energy technology, environmental science, economic policy</li><li>• “The Carbon Contained in Global Oils” (December 2012)</li><li>• “Policy Priorities for Advancing U.S. Electric Vehicle Market” (September 2012)</li></ul>
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• “Transportation Beyond Oil” (focus on multi-modal transportation) (March 2013)</li><li>• “Transatlantic Dialogue on Sustainable Urban Transport” January 2013)</li></ul>

## **Peterson Institute for International Economics**



- Focus on global economic issues
- Staff of 50 heavy with economists and political scientists
- Centrist political orientation
- Well funded but not as large as Brookings, CSIS, etc.
  - President is Adam Posen; founder is C. Fred Bergsten, former Treasury and White House official
  - Treavor Houser (also with Rhodium Group) directs Energy and Climate program
- Little recent climate work other than May 2013 paper with World Bank: “Four Changes to Trade Rules to Facilitate Climate Change Action”

## Center for Climate and Energy Solutions



- Pew Center on Global Climate Change set up by Pew Charitable Trust in 1998
  - Trust funded by family money from Sun Oil
  - Climate unit operated independently
- C2ES spun off in November 2011
  - To allow increased collaboration with corporate supporters like GE, Entergy, Shell
- Smaller than many other think tanks
- President/founder Eileen Claussen worked on climate in Clinton White House and State Department
  - Climate experts include Dan Huber, Doug Vine, Michael Tubman



## Center for Climate and Energy Solutions



<b>Publications</b>	<ul style="list-style-type: none"><li>• Numerous initiatives and reports on energy policy, vehicle technologies, climate change, and clean energy</li><li>• "Domestic Policies to Reduce the Near-Term Risks of Climate Change" (March 2013)</li><li>• "Federal Action on Climate Change and Clean Energy" (February 2013)</li></ul>
<b>Partners</b>	International Carbon Action Partnership, Electric Power Research Institute, various corporate supporters
<b>Conferences/Seminars/Initiatives</b>	The National Enhanced Oil Recovery Initiative, Plug-in Electric Vehicle Dialogue Group, Business Environmental Leadership Council

## Resources for the Future



- One of the first think tanks focused exclusively on environment and natural resources
- Economic thrust to analysis
  - Center for Energy Economics and Policy
- President Phil Sharp is former Democratic Congressman
  - Was professor at Harvard; serves on National Academy of Sciences climate panel
- Academic/research focus of many on climate staff; do not take positions on legislation/regulation
  - Over 30 researchers working on climate issues and as part of Center for Climate and Electricity Policy



## Resources for the Future



<b>Publications</b>	<ul style="list-style-type: none"><li>• Research on air quality, climate change, ecosystems, energy resources, electricity, transportation</li><li>• “Progressing to a Fair Carbon Tax: Policy Design Options and Impacts to Households” (April 2013)</li><li>• “The New CAFE Standards: Are They Enough on Their Own?” (May 2013)</li></ul>
<b>Partners</b>	National Socio-Environmental Synthesis Center (University of Maryland), CSIS, National Renewable Energy Laboratories (DOE)
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• “A North American Approach to Climate Change: Linking Quebec and California” (May 2013)</li><li>• “The Role of Border Measures in the Design of Unilateral Climate Policy” (September 2012)</li></ul>



- Founded with MacArthur Foundation support
- Very active in projects in developing countries
- Well funded, in part with government grants
- Public-private partnerships are pursued
- President Andrew Steer joined in May 2012
  - Was World Bank Special Envoy for Climate Change
- Key staff include Jennifer Morgan (European NGO experience); Pankaj Bhatia (Tata Energy); Rob Bradley (British NGO and consulting background)



<b>Publications</b>	Research focuses on climate, energy, transportation, and impact on socio-economic development "Clearing the Air: Reducing Upstream GHG Emissions from U.S. Natural Gas Systems" (March 2013) "A Critical Decade for Climate Policy: Tools and Initiatives to Track Our Progress" (March 2013)
<b>Partners</b>	Investor Watch (Carbon Tracker Initiative on carbon markets), Mary Robinson Foundation – Climate Justice (Ireland), Center for Global Development
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• Ongoing "Climate Justice Dialogue"</li><li>• "Too Hot, Too Wet: Building Resilient Agroecosystems" (March 2013)</li><li>• "Greenprint: A New Approach to Cooperation on Climate Change" (March 2013)</li></ul>



- Active global network of partners and web presence
- Reports in over 20 languages
- Climate/Energy is one of three main programs
- Much smaller budget than many other institutes
- Robert Engleman became president in 2011
  - Was at Population Action International and Yale
- Alexander Ochs (academic, NGO, German government experience) directs Climate/Energy program



<b>Publications</b>	<ul style="list-style-type: none"><li>• Research focuses on climate change, resource degradation, population growth and sustainability</li><li>• "Sustainable Energy Roadmaps: Guiding the Global Shift to Domestic Renewables" (March 2012)</li><li>• "Renewable Global Status Report" (June 2012)</li></ul>
<b>Partners</b>	Institute for Policy Studies, Brookings Institution, Renewable Energy Policy Network for the 21 <sup>st</sup> Century, American Council of Renewable Energy
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• "Climate and Energy Risks: A Transatlantic Comparison" (April 2013)</li><li>• "A Prosperous Future for All: Gender, Climate and Biodiversity in a Globalized World" (February 2013)</li><li>• "Climate.Culture.Change," a film series with the Heinrich Böll Foundation and the Goethe Institut</li></ul>



## **Other Think Tanks and Advocacy Groups on Climate Policy**



- Climate deniers and skeptics:
  - Heartland Institute
  - Competitive Enterprise Institute
  - Reason Foundation
  - George Marshall Institute
  - American Enterprise Institute
- Promote policies to address climate change:
  - Center for Climate and Security
  - Environmental Defense Fund
  - Natural Resources Defense Council
  - Climate Institute
  - Sierra Club
  - Friends of the Earth
  - Greenpeace
  - Climate Reality Project

## **Heartland Institute**



- Chicago-based conservative group
- Supports research and educational projects
- Global warming is one of seven major research areas
- Funded by over 1,600 individuals and organizations
- Most notable donor is Charles Koch Foundation
- Launched ClimateWiki for “balancing” scientific views on climate change
- Director of Environmental Policy Fred Singer was at the U.S. Department of Transportation



*The Climate Debate*  
**Heartland Institute**



<b>Publications</b>	<ul style="list-style-type: none"><li>• Commentaries and papers critical of mainstream scientific views on climate change</li><li>• "Climate Change Beliefs, Concerns, and Attitudes among Corn Belt Farmers" (April 2013)</li></ul>
<b>Partners</b>	Cooler Heads Coalition, Heritage Foundation, Cato Institute, John Locke Foundation, Competitive Enterprise Institute
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• "Annual International Conference on Climate Change," co-hosted by 60 think tanks and business groups from several countries (May 2012)</li><li>• Ongoing "Heartland Author Series"</li><li>• "Dealing with Climate Catastrophes: Could Onshore Reserving Make a Difference?" (March 2012)</li></ul>

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**Competitive Enterprise Institute**



- Libertarian/conservative group conducts research on environmental and energy policy
  - Favors small government and free markets
- Outspoken skeptics on climate issues and EPA regulation
  - Key climate experts include Center for Energy and Environment Director Myron Ebell and Christopher Horner
- Funded by contributions from conservative foundations (Scaife, Earhart, Koch, etc.) and oil, gas, automotive, pharmaceutical, and tobacco companies
- Energy/environment/climate is largest program area
  - Few recent studies of climate issues



*The Climate Debate*

## **Reason Foundation**



- Libertarian think tank
  - Based in Los Angeles
  - 60+ staff
- Climate change is one of 10 policy research areas
  - Critic of EPA regulatory policies
- Proponent of “free-market environmentalism”
  - Free markets and property rights are seen as the best way to preserve the environment
- Funded by foundations (Koch, Scaife), corporations, and sales of *Reason* magazine and other publications



*The Climate Debate*

## **George Marshall Institute**



- Conservative group named after legendary military leader and statesman
  - Founded by Frederick Seitz, a climate skeptic and former National Academy of Sciences president
- One focus is security risks of climate change
- Funded by such conservative groups as the Earhart, Koch, Scaife, and Olin foundations and by Exxon-Mobil
- Aims to “promote scientific literacy” by challenging mainstream scientific thought on climate change
  - Associated with Science and Environmental Policy Project





- Respected center-right think tank
  - More than 50 resident scholars/fellows
- Big donors include many leading foundations and corporations
- Climate is a recent policy interest
  - Energy focus includes oil and gas, alternative energy, and natural resources
- Somewhat skeptical views of climate change
  - Often focuses on cost of regulation, market-based approaches to reducing pollution, etc.
  - Scholars involved in recent carbon tax discussions



<b>Publications</b>	<ul style="list-style-type: none"><li>• Research papers, books, and articles on climate change, energy, and environmental regulation</li><li>• "Solar Radiation Management: An Evolving Climate Policy Option" (May 2013)</li><li>• "Using Marginal Damages in Environmental Policy: A Study of Air Pollution in the United States" (January 2013)</li></ul>
<b>Partners</b>	Hudson Institute, Center for American Progress, Institute for Energy Research, Brookings Institution
<b>Conferences and Seminars</b>	<ul style="list-style-type: none"><li>• "America's Natural Gas: Should Exports be Restricted?" (May 2013)</li><li>• "How to Think Seriously about the Planet: The Case for an Environmental Conservatism" (July 2012)</li><li>• "The Economics of Carbon Taxes" (November 2012), part of a high-profile series with the Brookings Institution</li><li>• Recent panel discussion of geo-engineering</li></ul>

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## Center for Climate and Security



- Focus on climate change and its impact on U.S. and global energy/military security
- Small staff of scientific and academic researchers
- Board includes retired military leaders, academics
- Recent climate-related reports highlight linkage of climate change and security issues
  - "The Arab Spring and Climate Change"
  - "A Marshall Plan to Combat Climate Change in the Asia-Pacific"
  - "Syria: Climate Change, Drought and Social Unrest"

THE CENTER FOR  
CLIMATE AND  
SECURITY

*The Climate Debate*

## Environmental Defense Fund



- New York-based group with staff of 400+ researchers and scholars nationwide
- Global warming and energy advocacy and research projects
- Funded by Environmental Defense Action Fund
  - Corporate partners include FedEx, Walmart, and McDonalds
- Respected voice within environmental community
  - Chief Scientist Steve Hamburg previously was a lead author for the Intergovernmental Panel on Climate Change
  - EDF lawyers active using courts to protect environment



## Environmental Defense Fund



<b>Publications</b>	<ul style="list-style-type: none"><li>• Research on climate change science, policy, regulation</li><li>• "The EU Emissions Trading System: Results and Lessons Learned" (2012)</li><li>• "A Blind Spot in Climate Change Vulnerability Assessments" (March 2013)</li></ul>
<b>Partners</b>	Natural Resources Defense Council, Environmental Health Coalition, Global Green USA, EarthShare
<b>Conferences/ Seminars/ Initiatives</b>	<ul style="list-style-type: none"><li>• "Innovations in Energy Efficiency and Distributed Generation Finance Conference," co-organized with Citigroup (February 2013)</li><li>• Initiatives on: Implementing California's <i>Global Warming Solutions Act</i> (AB 32); defending EPA climate change regulations; supporting the EU Aviation Directive; reducing emissions from deforestation and forest degradation</li></ul>

## Natural Resources Defense Council



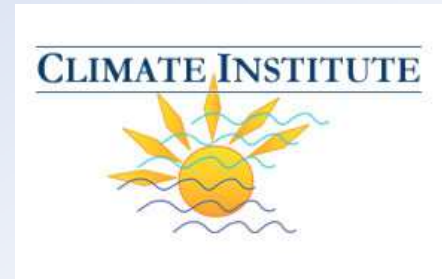
- International environmental advocacy group
  - Headquartered in New York
  - 1.4 million members
- Washington staff of 50+ experts on varied environmental issues
  - President Francis Beinecke serves on the boards of numerous other environmental groups
  - NRDC experts testify in Congress and speak to conferences
- Supported in lobbying and finance by NRDC Action Fund
- Funded by Pew Charitable Trusts, Rockefeller Brothers Fund, Cafritz Foundation, MacArthur Foundation, etc.



*The Climate Debate*  
**Climate Institute**



- Relatively small but longstanding activist and research group
  - Staff of less than 20
- Funded by memberships, private and corporate contributions
- Works with community, business, and government groups to generate support for low-carbon policies
  - Washington conference on climate change in 1987 was first major U.S. conference on the issue
  - Worked with Japan Environment Agency to organize the First Asia Pacific Seminar on Climate Change (1991)
  - Works with NGOs in developed countries on climate issues



*The Climate Debate*  
**The Sierra Club**



- Oldest and largest grassroots environmental organization
  - 1.3 million members; 65+ local chapters
- Clean energy is a major focus of grassroots efforts
- Supported by charitable donations through the Sierra Club Foundation
  - Over \$100 million in assets
- Initiatives include "Beyond Coal," "Beyond Oil," and "Beyond Natural Gas" clean energy campaigns
- Runs "green" jobs conferences



## *The Climate Debate*

### **Friends of the Earth**



- International activist/research network with 2 million members in 74 countries
  - Climate change and clean energy among four focus areas
- Founded in 1969 by David Browe, Sierra Club co-founder
- Funded by government subsidies, donor grants, membership dues, sales and donations
- Opposes nuclear energy, corn-based ethanol, tar-sands oil, Keystone XL pipeline
- Supports strong global climate accord
  - Recent publications on private finance and the Green Climate Fund and on forest carbon markets



## *The Climate Debate*

### **Greenpeace**



- International advocacy group headquartered in Amsterdam
  - Famous for direct action worldwide
- Global warming among seven environmental focus areas
- Funded by 2.9 million individuals and foundation grants
  - 250,000 U.S. members
  - U.S. head is Phil Radford, previously worked on solar energy grassroots campaigns
- Focus on conservative groups' "climate denial funding"
- Active on BP Deepwater Horizon Gulf Oil Spill





*The Climate Debate*

## **Climate Reality Project**



- Founded and chaired by former Vice President Al Gore
- Liberal climate change activist and outreach group
- Small staff but 5 million members and supporters
- CEO Maggie Fox is former leader at Sierra Club
  - Board members from financial sector, academia, foundations
- Outreach campaigns promote “An Inconvenient Truth” and “24 Hours of Reality: The Dirty Weather Report”
  - Highlight oil and gas industry funding of climate “deniers”



## **U.S. Climate Policy: Outlook for 2013-14**



## **Energy, not Climate, Was 2012 Campaign Issue**



- Obama cited reduced imports, growing alternatives, wanted to end tax breaks for big oil
- Republicans decried EPA rules, slow permitting, stall on Keystone pipeline, limited offshore drilling, impact on coal, etc.
- Both presidential hopefuls ignored climate change
- Obama did highlight climate change in State of the Union

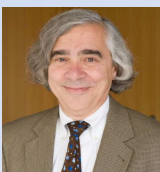


## **Obama 2.0 Key Policymakers**



### **Secretary of State John Kerry**

- Former senator from Massachusetts and 2004 Democratic nominee for president
- Long-time advocate of strong climate policies



### **Secretary of Energy Ernest Moniz**

- Former professor of physics at MIT
- Supports natural gas and nuclear
- Clean energy and climate change are priorities



### **Gina McCarthy, EPA Administrator (nominee)**

- Worked with Republican governors at state level
- Ran EPA clean air office for the past four years

## **Obama 2.0 Energy Policy**



- Obama may increase fracking oversight but does not want to slow development
  - Recent approvals of LNG exports
  - Decision soon on federal fracking rules
- Keystone XL may be approved
- Coal faces bleak future due to EPA rules
- Continued support for nuclear, but waste issue needs to be resolved
- Support for renewables
  - Budget pressures cut federal aid



## **Obama 2.0 Environmental Policy**



- EPA has broad clean air agenda
  - Facing several court-ordered deadlines on non-GHG emissions rules
  - No longer under political pressure to delay rules
- Tier 3 rules proposed for vehicle emissions and low-sulfur fuels
  - Possible heavy vehicle fuel consumption rules
- EPA has window of freedom to act
  - At least until mid-term campaigns
  - Economic recovery would ease cost pressure
  - Budget cuts cause major problems

## **Obama 2.0 Climate Policy**



- U.S. to remain focused on domestic climate efforts, though still engaged in global talks
- With no hope of Congress acting, Obama will use regulation and incentives to cut GHG emissions
- EPA expected to finalize GHG rules for new power plants and new heavy-truck rules
- Possible EPA rule-making on existing power plant emissions
  - Rules will face court challenges from states and industry
  - Intense pressure from House Republicans



## **Obama 2.0 Climate Policy**



- Some new interest in carbon taxes
  - Seen as a fiscal and environmental option
- Energy efficiency can be key area for progress
  - Bipartisan Congressional action is developing
  - Potential for easy and substantial GHG reductions
- “Green” energy and energy efficiency tax incentives and financial support
  - Budget cuts pose a challenge
  - Weakening support for renewable initiatives in Republican-controlled states



## **Obama 2.0 Global Climate Talks**



- Obama showed early commitment to global talks and attended COP-15 in Copenhagen
- Level of interest has since faded
  - Can John Kerry revive U.S. role?
- UNFCCC says that the U.S. is on a “pretty good track” to meet that “completely insufficient” target
  - U.S. CO2 reduction commitment (2005-2020): 17%
  - Actual U.S. CO2 reduction (2005-2012): 12%
- U.S. interest in alternatives to UNFCCC process



## **Obama 2.0 Global Climate Talks**



- U.S. favors “flexible” and “dynamic” rather than “binding” rules
- U.S. proposal in Bonn that individual countries make their own commitments to reduce emissions
  - Commitments not subject to negotiation by COP as a whole (unlike Kyoto)
  - Commitments released 6 months prior to Paris COP in 2015
  - All major emitters must be involved
- Post-2020 will be primary focus of June meetings



*Outlook for Climate Policy*  
**Key Issues to Watch**



- EPA uses regulations to address climate change
- Carbon taxes and emissions pricing?
- Severe weather and drought
- Natural gas revolution
- New approach to international cooperation?
- Climate change and security

Topics discussed less often:

- Cap-and-trade
- Carbon trading



**Thank you for working with  
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