

ENVIRONMENT AND ENERGY COMMITTEE

Position Paper on Effective Greenhouse Gas Reduction Legislation

Several local, state, and global initiatives have been undertaken to reduce greenhouse gas emissions. Although there may be debate as to the degree to which such emissions actually influence climate, it is recognized that reducing greenhouse gas emissions has numerous "co-benefits," such as reducing the emissions of all pollutants; encouraging energy efficiency; creating new opportunities through investment in renewable and alternative forms of energy, and energy independence.

Engineering firms will be in the forefront of implementing the policy changes that the U.S. Congress may enact, and thus the Environment and Energy Committee of the American Council of Engineering Companies believes that any legislation should incorporate the following concepts:

1. A national program should not preempt state or regional climate change initiatives nor prevent states or regions setting more aggressive emission reduction targets. However, there should be a single set of national protocols used to determine how emissions, allocations, and credits are quantified and tracked.
2. Legislation should include a combination of emission reduction targets plus incentives for technical innovation and alternatives, not simply emission reduction targets alone. Local and state incentives should supplement, not replace federal incentives.
3. Emission reduction strategies should be based on an economy wide cap-and-trade system that includes agricultural and transportation sources. The system should also include initial allocations to existing sources and new projects so that new investment is not inhibited.
4. Emission reduction goals should include both short and long term goals, with short term goals based on achievable reductions (with currently available methodologies and technologies), and long term goals incorporating the possibility of future methodologies and technologies not yet demonstrated.
5. Initial allocations need to be fair and equitable and allow for periodic updating that incorporates growth in population and regional shifts in population and the U.S. economy. The allocation system needs to allow for technical corrections as additional data become available.
6. Emission reduction targets for U.S. companies with operations outside the U.S. should receive credit for global reductions, not just reductions in the U.S. provided that those reductions are verifiable to the same level and use protocols equivalent to those established in the U.S.
7. Sources should be given credit and incentives for early reductions taken both in the U.S. and globally prior to enactment of the legislation and regulations. Early action global reductions should be verifiable to the same level and use protocols equivalent to those established in the U.S.
8. The legislation should provide for a coherent and adequately funded research and development program, especially with respect to evaluating potential environmental consequences of emission control technologies.

9. The legislation should authorize funding for Department of Energy national laboratories to serve as an impartial technical resource to help facilitate environmental permitting for proposed greenhouse gas emission control projects.
10. The legislation should provide financial assistance and guidance for local governments to conduct their own climate change vulnerability assessments and to take action to remedy and protect those areas identified in the National Climate Adaptation Plan as well as their own assessments. The legislation should also provide a mechanism for developing and publishing technical guidance on incorporating predictions of climate change into infrastructure design standards.

April, 2008