

**Federal Climate and Energy Activities Weekly Roundup
February 22—February 26**

Update on Senate Climate Legislation

Senators John Kerry (D-MA), Lindsey Graham (R-SC) and Joseph Lieberman (I-CT) continue to search for the right recipe for a climate bill that could earn the support of 60 Senators. Senate Majority Leader Harry Reid (D-NV) is pressing Kerry to have that legislation ready as soon as possible, so that it can be considered sometime this spring. Kerry reported this week that the primary area where they have not come to agreement yet is over the pricing of emissions. Graham also reported said this week that they are leaning towards a deal that would treat power companies differently from other major greenhouse gas emitters.

EPA Offers Concessions on GHG Regulations Plans

On February 22, EPA announced that it would gradually phase in its greenhouse gas regulations for industrial sources. It also said it is considering raising the threshold at which facilities would be exempt from its regulations. EPA's actions come in response to concerns voiced in a letter late last week from eight Senate Democrats—Senators Jay Rockefeller (D-WV), Max Baucus (D-MT), Sherrod Brown (D-OH), Bob Casey (D-PA), Claire McCaskill (D-MO), Mark Begich (D-AK), Carl Levin (D-MI) and Robert Byrd (D-WV). Rockefeller also announced his intention to introduce legislation to delay EPA's implementation of greenhouse gas regulations for a period of time in order to allow Congress additional time to consider climate legislation. Rockefeller's bill would offer a different approach to the one taken by Senator Lisa Murkowski (R-AK), who earlier this year introduced a disapproval resolution that would nullify EPA's endangerment finding, thus preventing EPA from regulating greenhouse gases under the Clean Air Act. The Murkowski resolution would only require 51 votes to pass, due to rules set out in the Congressional Review Act, whereas a bill would require 60 votes to overcome a filibuster.

Murkowski Resolution Could Create Challenges for new CAFE Standards Implementation

Aids to Senator Lisa Murkowski (R-AK) report that she plans to push for a floor vote sometime in mid march on her disapproval resolution nullifying EPA's endangerment finding. She needs the support of only 30 Senators to move the resolution out of the Environment and Public Works Committee and onto the floor for a vote. Already she has 40 co-sponsors, so 41 votes including her own. She would need 51 votes in favor of the resolution for it to pass. However, the resolution would complicate implementation of the new CAFE standards for cars and light trucks announced by the Obama administration last spring. The CAFE standards are tied to emissions limits that are part of a joint rulemaking between EPA and the National Highway Traffic Safety Administration (NHTSA), and those emissions limits are dependent on the endangerment finding. In order to implement the new CAFE standards by the 2012 model year, NHTSA would need to promulgate its regulations by the end of March 2010. The 2012 deadline is relevant because it was part of the deal the federal government struck with California and 13 other states that had been pushing for stricter CAFE and emissions standards than the federal government currently requires. Those

states had planned to set their own stricter standards, which caused concern from automakers that maintain a patchwork of differing state regulations rather than a uniform federal standard will make compliance impossible for them. California and a number of the other states that have adopted their own emissions standards have said they will move forward with those standards if the federal standards are not finalized.

New Legislation:

- On February 24, Senator John Barrasso (R-WY) introduced S. 3032. The bill would prohibit the enforcement of a climate change interpretive guidance issued by the Securities and Exchange Commission, and for other purposes. It was referred to the Committee on Banking, Housing, and Urban Affairs.
- On February 24, Representative Leonard Boswell (D-IA) introduced H.R. 4674. The bill would authorize loan guarantees for projects to construct renewable fuel pipelines. It was referred to the Committee on Energy and Commerce, and in addition to the Committee on Transportation and Infrastructure.
- On February 25, Representative Ike Skelton (D-MO) introduced H.J. Res. 76, a joint resolution disapproving a rule submitted by the Environmental Protection Agency relating to the endangerment finding and the cause or contribute findings for greenhouse gases under section 202(a) of the Clean Air Act. The resolution was referred to the Committee on Energy and Commerce.