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Opportunity for New Mexico
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Carbon Limits & Energy for America's Renewal The CLEAR Alternative to Kerry-Lieberman's business-as-usual

Released late Tuesday night, "The American Power Act" will provide the same utilities -- which account for about 40 percent of annual U.S. greenhouse gas emissions -- enormous giveaways, which amount to billions of dollars. The Kerry-Lieberman legislation gives huge corporate concessions in the form of free carbon pollution emissions allowances. **The Kerry-Lieberman legislation -- as it is currently written -- won't get the job done and will enrich big energy companies at the expense of low-income families. Unless it is dramatically improved, the bill is not worth supporting.**

"The CLEAR Act is an alternative lesser-known bi-partisan bill, that is actually more effective and creates a 'clean energy rebate' for all Americans. It provides for a steady decrease in carbon pollution while protecting consumers. It is a transparent and simple bill that doesn't rely on trading platforms, political gimmicks and corporate plunder, which have caused the downturn of the U.S. economy," asserted Mariel Nanasi, senior policy advisor with New Energy Economy. Carbon Limits & Energy for America's Renewal, the CLEAR Act, introduced last December, by Maria Cantwell (D-Wash.) and Susan Collins (R-Maine), Senate bill 2877, is the only approach that guarantees deep cuts in carbon dioxide emissions. The government would sell a steadily declining number of permits to emit fossil fuels -- forcing polluters to pay for 100% of their pollution permits-- and returning the majority of the revenue to citizens in a streamlined way, as in the Social Security system. The basic concept is to make polluters pay while shielding consumers from rising energy costs.

Under the CLEAR Act, 75% of the revenue raised from permit sales would be returned to the public, with a monthly deposit to their bank accounts, an equal share to each person. No bureaucracy is needed to figure this out. A price on carbon will raise energy prices, but lower and middle-income people, will be protected because their dividend will be greater than the rising cost of energy. Average annual refunds for a family of four are estimated to be approximately \$1000. Recent economic analyses show that most Americans, except for the wealthiest (and largest energy consumers) would come out ahead.

The remaining 25% of auction revenues are invested into the Clean Energy Reinvestment Trust Fund to pay for additional greenhouse gas emissions reductions, low-carbon energy investment, climate change adaptation and mitigation (reforestation, etc.) and energy efficiency.

“The oil, gas, nuclear and other fossil fuel interests spent many millions of dollars on lobbyists who have succeeded in hijacking climate policy. The extractive industries crafted this bill jointly with Senators Kerry and Lieberman, and the top richest energy industries (worth more than most countries), Exxon, BP, and Shell approve; now, that alone should give one pause. Frankly, this is further bad economic and environmental news – New Energy Economy is fighting to put in place an environmental policy that will stimulate the economy and protect future generations. The CLEAR Act is the required environmental course and is politically feasible,” said Nanasi.

In short the Kerry-Lieberman legislation:

- Sets a target that won't substantively reduce carbon emissions for many decades, allowing for continued warming and triggering potentially dangerous positive feedback loops;
- Gives away billions of dollars every year to polluting industries;
- Disproportionately impacts low and middle income families from rising energy prices;
- “Ensures coal's future,” which means making future generations pay the tab for insatiable cheap energy that spews poison into the air;
- “Increases nuclear power generation,” which ignores the history of highly radioactive water, soil contamination and waste storage problems;
- Fails to adequately invest in clean energy technologies and invests large sums in unproven and risky “clean coal technologies”;
- Pre-empts state laws and bars the EPA from regulating greenhouse gas emissions; and
- Permits offshore oil drilling despite the most devastating environmental catastrophe in U.S. history.

“The Kerry-Lieberman bill plunders the public good and squanders the genuine public concern over the recent environmental disasters that have, and will continue to impact people, economies and the environment. The battle of a lifetime is underway—to cap carbon, to stop global warming, and to put Americans back to work rebuilding our clean energy economy. The CLEAR Act provides a meaningful and fair answer to our current environmental crisis as opposed to Kerry-Lieberman which guarantees windfall profits for the same polluting companies that caused the problem in the first place,” stated New Energy Economy Senior Policy Advisor Mariel Nanasi.