## **UAE**Unions for Jobs And the Environment

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## Member Unions

Brotherhood of Locomotive Engineers

International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers
International Brotherhood of Electrical Workers International Brotherhood of Teamsters Marine Engineers
Beneficial Association Sheet Metal Workers International Association Transportation • Communications
International Union

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry
United Food and Commercial Workers International Union United Mine Workers of America United
Transportation Union

November 2, 2005

Mr. David W. Conover, Director

U.S. Climate Change Technology Program 1000 Independence Avenue, S.W.

U.S. Department of Energy Washington, DC 20585

Re: Climate Change Technology Program Strategic Plan

Dear Mr. Conover:

Unions for Jobs and the Environment (UJAE) appreciates the opportunity to submit comments on the preliminary Climate Change Technology Program (CCTP) September 2005, Strategic Plan.

Sincerely, Utility Workers Union of America

Self Lungham

Bill Cunningham, President Unions for Jobs and the

Environment

Enclosure: UJAE Comments on the CCTP Strategic Plan

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CCTP STRATEGIC PLAN SEPTEMBER 2005

COMMENTS OF UNIONS FOR JOBS AND THE

ENVIRONMENT November 2, 2005

**Commenter Information** 

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Unions for Jobs and the Environment (UJAE) is a non-profit

association of national and international unions whose 3.2 million members

seek to have a voice for union and worker concerns regarding U.S. global

climate change policy and other environmental issues. UJAE is formed of

the Brotherhood of Locomotive Engineers; International Association of

Sheet Metal Workers, International Brotherhood of Boilermakers, Iron Ship

Builders, Blacksmiths, Forgers and Helpers; International Brotherhood of

Electrical Workers; International Brotherhood of Teamsters; Marine

Engineers Beneficial Association; Transportation · Communications

International Union; United Association of Journeymen and Apprentices of

the Plumbing and Pipefitting Industry; United Food and Commercial

Workers; United Mine Workers of America; United Transportation Union;

and, Utility Workers Union of America.

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UJAE member unions are engaged in nearly all aspects of U.S. energy supply production, utilization and transportation. UJAE actively represents its members' concerns before all branches of the government where proposed actions threaten jobs or unduly burden the well-being of workers. UJAE is accredited and participates actively as a non-governmental organization ("NGO") with formal observer status at the United Nations' Framework Convention on Climate Change ("Convention").

UJAE has fully participated in the climate change issue. As an accredited non-governmental organization (NGO) to the United Nations Framework Convention on Climate Change, UJAE has witnessed firsthand the development and execution of U.S. policy on this issue. UJAE agrees with the U.S. position of overall support for the environmental goals of the Convention with legitimate concerns for the costs to the U.S. economy and workers of unilateral GHG emission reductions, especially where such

reductions by industrial nations are being offset by emission increases by the developing world. To achieve any meaningful internationally equitable and sustainable environmental effect, worldwide cooperation is required to reduce greenhouse gas emissions. Any long-term efforts to stabilize or otherwise affect atmospheric concentrations requires that all countries be

part of an equitable global effort to limit or reduce CO2 Mr. David W. Conover, Director November 2, 2005 Page 4

emissions, including developing economies, and those countries that have greatly expanded their manufacturing activity at the direct expense of U.S. jobs.

Insofar as this Strategic Plan promotes the development of technologies to reduce CO2 emissions without sacrificing the vitality of the U.S. economy, UJAE endorses and supports the Plan. UJAE presents an overview of its position below.

## Overview

Greenhouse gases, once emitted, are "typically halfway around the world a week later, making climate change a truly global issue." Thomas R.

Karl & Kevin

E. Trenberth, Modern Global Climate Change, 302 Science 1719 (Dec. 5, 2003). Due to the global nature and long atmospheric residence times of greenhouse gas emissions (GHGs), individual states, regions or nations cannot effect meaningful change in atmospheric greenhouse gas concentrations. *See* T. Wigley, *et al.*, Economic and Environmental Choices in the Stabilization of Atmospheric CO<sub>2</sub> Concentrations, 379 Nature 240 (Jan. 18, 1996).

Stabilization of atmospheric GHG concentrations is achievable only through cooperation among a large number of nations and would have to include not only major industrialized but also developing nations. *Id.* This fact was well recognized by those representing the U.S. to the UNFCCC

during the 1990's. In Mr. David W. Conover, Director November 2, 2005 Page 5

fact, at the highest levels, the U.S. government adhered to the principle that the industrialized world could not stop the increase of GHG emissions. President Clinton expressed that concern in 1997:

"The industrialized world must lead, but developing countries also

must be engaged. The United States will not assume binding obligations unless key developing nations meaningfully participate in this effort. ... If the entire industrialized world reduces emissions over the next several decades but emissions from the developing world continue to grow at their current pace, concentrations of greenhouse gasses in the atmosphere will continue to climb." President's Remarks at the National Geographic Society, 2 Pub. Papers, 1408, 1410 (Oct. 22, 1997).

The U.S. continued to adhere to that policy in 2000: "Acting alone ... developed countries cannot stabilize global greenhouse gas concentrations. From a scientific standpoint, meaningful participation by key developing countries is a necessity. Several large developing countries will soon become the world's leading emitters." Statement of Frank E. Loy, former U.S. Undersecretary of State for Global Affairs, (July 22, 2000). The need for cooperation among all nations if GHG concentrations are to be stabilized was the catalyst for the 1992 negotiation and ratification of the United Nations Framework Convention on Climate Change. The U.S. is among the 154 signatory nations to the Convention, See Status of Ratification of the United Nations Framework Convention on Climate Change, U.N. Doc. FCCC/1996/INF.1, U.N. FCCC, March 1, 1996, at http://unfccc.int/resource/docs/1996/sbsta/inf01.pdf, with its long-term objective of the "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system." FCCC Art. 2.

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The Convention also acknowledges that the timeframe for achieving the goal should "enable economic development to proceed in a sustainable manner." *Id.* The mechanism for achieving the goal has long been controversial. To achieve this goal, the Convention assigns differing levels of commitments to "developed" and "developing" country parties based on their "common but differentiated responsibilities." FCCC at Preamble.

While the U.S. and other developed nations agreed to develop programs with the "aim" of reducing their anthropogenic GHG emissions to 1990 levels, FCCC Art. 4.2(b), developing nations have no corresponding emissions reduction requirement. Over time, this feature of the Convention has been a fundamental stumbling block to the achievement of its goals.

The Convention requires parties periodically to "review the adequacy of parties" commitments in the light of the best available scientific information and assessment on climate change and its impacts ..." FCCC Art. 4.2(d). This requirement has never been carried out because a block of developing nations including China and India has consistently refused to permit discussion of the adequacy of developing nations' commitments. Since the first Conference of Parties, COP-1 held at Berlin in 1995, developing nations have ensured that they

In the language of the Convention, developed nations are identified as "Annex I" and developing countries as "Annex II" nations.

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remain unobligated under the Convention to assist in what all acknowledge must

be a global effort if the Convention's goals are to be accomplished. Despite this,

parties did move forward to establish binding emissions reductions for developed

nations at the Kyoto COP-3 in 1997. Under the Kyoto Protocol, the U.S. would

be required to reduce its GHG emissions by 7% below 1990 levels during the first

compliance period from 2008 – 2012.

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Parties began negotiations to interpret these provisions and to review the adequacy of parties' commitments at the first COP ("COP-1") in Berlin in 1995. COP-1 produced the "Berlin Mandate," which concluded that commitments by developed country parties were not adequate, and launched a negotiation process to adopt a protocol or other legal measure with specific emission targets and timeframes for developed countries. UN FCCC/CP/1995/7/Add. 1, June 6, 1995, at 4. Despite finding that "the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response," the Berlin Mandate expressly excluded "any new commitments for [developing] Parties." *Id.* at 5.

The call for negotiation of a new protocol in the Berlin Mandate at COP-1 led to development of the Kyoto Protocol ("Kyoto" or "Protocol") in December 1997 at COP-3. Kyoto identifies specific negotiated emission reductions for certain industrialized nations, but specifically excludes developing nations from new emission reduction obligations. *See* Report of the Conference of the Parties on Its Third Session, U.N. Doc. FCCC/CP/1997/7/Add.1, U.N. FCCC, Dec. 1/CP.3, at 4. Kyoto did not resolve the issue of whether developing parties' commitments should be subject to a review for adequacy. Issues in the Negotiation Process - Second Review of Adequacy of Article 4.2(A) and (B) of the Convention, U.N. FCCC, updated May 5, 2003, *at* http://unfccc.int/issues/secreview.html. The issue of developing country commitments has been placed on the provisional agenda but never resolved at each annual COP

since 1997, because a group of developing nations including China (the "Group of 77"), have sought to avoid any implication that their nations' commitments were to be reviewed for adequacy. *See* Provisional Agenda and Annotations, U.N. Doc. FCCC/CP/2004/1, at 2 n. 2, U.N. FCCC, September 15, 2004, *at* http://unfccc.int/resource/docs/cop10/01.pdf. As summed up by the Secretariat of the Convention: "The fundamental issue that divided developed and developing countries was whether the implementation of the Article should be interpreted as opening up a discussion on commitments for [developing] Parties." *See* Issues in the Negotiation Process - Second Review of Adequacy of Article 4.2(A) and (B) of the FCCC, U.N. FCCC, updated May 5, 2003, *at* http://unfccc.int/issues/secreview.html. Thus, in addition to the exclusion of developing nations from binding commitments under the Protocol, the more fundamental matter of their accountability for commitments under the Convention has never been resolved. Provisional Agenda and Annotations, U.N. Doc. FCCC/CP/2004/1, at 2 n.2, U.N. FCCC, September 15, 2004, *at* http://unfccc.int/resource/docs/cop10/01.pdf.

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The economic and social impacts to the U.S. of Kyoto-level reductions were projected to be quite large. The U.S. Energy Information Administration projected actual losses to gross domestic product at between \$102 to \$437 billion in 2010 for reducing CO<sub>2</sub> emissions to those levels. *See* U.S. Energy Information Administration, What Does the Kyoto Protocol Mean to U.S. Energy Markets and the U.S. Economy, (Oct. 1998), http://www.eia.doe.gov/oiaf/kyoto/kyotobtxt.html.

The Congressional Budget Office ("CBO") predicted that developing nations would soon outpace developed nations in CO<sub>2</sub> emissions due to planned infrastructure development to meet the needs of growing populations. These nations will continue to surpass the developed world in emissions because they will not likely construct state-of-the-art facilities with low-emission technologies. CBO, The Economics of Climate Change,

at 15 (April 2003) at

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http://www.cbo.gov/showdoc.cfm?index=4171&sequence=0. These negative economic impacts would be felt especially by energy production and related sectors, a significant portion of the U.S. economic base in terms of labor and GDP. *See* U.S. Dept. of Energy, Energy Information Administration, Impacts of the Kyoto Protocol on U.S. Energy Markets & Economic Activity, (October 1998).

Based on the unequal treatment of otherwise undifferentiated GHG emitters worldwide, UJAE became drawn into the climate change debate.

Since those early predictions of negative economic impacts to the national economy, critical

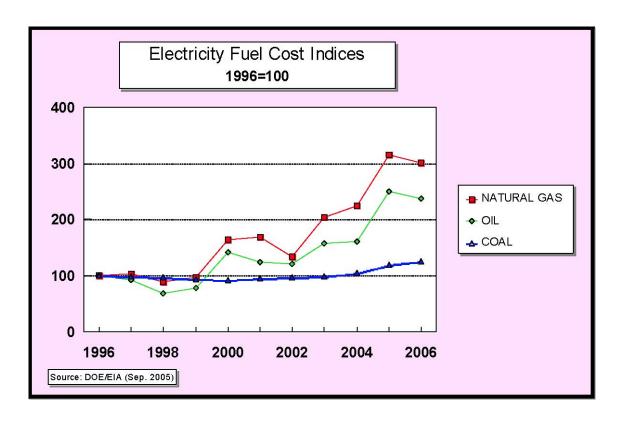
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economic sectors have faced growing pressures that further imperil their continued health. America has lost millions of good-paying jobs in recent years as those jobs migrated to other nations. Higher energy costs are a significant factor in these job losses. Our nation will find it difficult, if not impossible, to maintain our manufacturing base should our businesses be forced to pay high energy costs while competing in a global economy. Our high tech industries also depend on a steady stream of low-cost energy. In

short, energy-dependent sectors are less capable now than in 1997 of absorbing the costs of reducing CO2 emissions.

These concerns are magnified in light of the loss of significant U.S. oil and gas production and refining capacity due to Hurricanes Katrina and Rita, and to global increases in petroleum demand that have led to rapid increases in the price of energy across our economy. U.S. DOE/EIA projections of future energy prices to the electric utility sector, indexed to historic price levels, underscore the current vulnerability of the U.S. manufacturing base, and its workforce, to energy-related production losses: Mr. David W. Conover, Director November 2, 2005 Page 10



UJAE members are employed in economic sectors competing with the developing world for market share and under the pressure of an increasingly tight energy supply. New U.S. initiatives to stimulate the development and diffusion of lower-carbon energy technologies – the central focus of the Strategic Plan – are a constructive and timely response to the need to engage developing nations more fully in commitments aimed at reducing the future rate of growth of emissions from rapidly growing nations such as China and India. For these reasons, UJAE supports the Department's Strategic Plan and stands ready to assist in meeting the Plan's objectives through the efforts of our member unions.