

PRESIDENT BUSH ANNOUNCES CLEAR SKIES & GLOBAL CLIMATE CHANGE INITIATIVES

TODAY'S PRESIDENTIAL ACTION

Today the President will unveil the most aggressive initiative in American history to cut power plant emissions, as well as a bold new strategy for addressing global climate change.

- **The Clear Skies Initiative.** Cuts power plant emissions of the three worst air pollutants – nitrogen oxides, sulfur dioxide, and mercury – by 70 percent. The initiative will improve air quality using a proven, market-based approach.
- **Global Climate Change.** Commits America to an aggressive strategy to cut greenhouse gas intensity by 18% over the next 10 years. The initiative also supports vital climate change research and ensures that America's workers and citizens of the developing world are not unfairly penalized.

THE CLEAR SKIES INITIATIVE

Dramatically & Steadily Cuts Power Plant Emissions of Three of the Worst Air Pollutants:

- Cuts sulfur dioxide (SO₂) emissions by 73 percent, from current emissions of 11 million tons to a cap of 4.5 million tons in 2010, and 3 million tons in 2018.
- Cuts emissions of nitrogen oxides (NO_x) by 67 percent, from current emissions of 5 million tons to a cap of 2.1 million tons in 2008, and to 1.7 million tons in 2018.
- Cuts mercury emissions by 69 percent – the first-ever national cap on mercury emissions. Emissions will be cut from current emissions of 48 tons to a cap of 26 tons in 2010, and 15 tons in 2018.

Uses a Proven Market-Based Approach:

- Protects Americans from respiratory and cardiovascular diseases by dramatically reducing smog, acid rain, fine particles, regional haze, nitrogen and mercury deposition.
- Protects our wildlife, habitats and ecosystem health.
- Cuts pollution further, faster, cheaper, and with more certainty, using a "cap-and-trade" program, replacing a cycle of endless litigation with rapid and certain improvements in air quality.
- Saves as much as \$1 billion annually in compliance costs that are passed along to American consumers, and improves air quality and protects the reliability and affordability of electricity.
- Uses the model of our most successful clean air law – the 1990 Clean Air Act's acid rain program – and encourages use of new and cleaner pollution control technologies.

A NEW APPROACH ON GLOBAL CLIMATE CHANGE

The President has committed America to an aggressive new strategy to cut greenhouse gas intensity by 18% over the next 10 years. The initiative also supports vital climate change research and ensures that America's workers and citizens of the developing world are not unfairly penalized. The President's initiative puts America on a path to slow the growth of greenhouse gas emissions, and – as the science justifies – to stop, and then reverse that growth.

- ⌋ **Cutting Greenhouse Gas Intensity by 18 Percent Over the Next 10 Years.** Greenhouse gas intensity is the ratio of greenhouse gas emissions to economic output. The President's goal seeks to lower our rate of emissions from an estimated 183 metric tons per million dollars of GDP in 2002, to 151 metric tons per million dollars of GDP in 2012. By significantly slowing the growth of greenhouse gases, this policy will put America on a path toward stabilizing GHG concentration in the atmosphere in the long run, while sustaining the economic growth needed to finance our investments in a new, cleaner energy structure. America is already improving its GHG intensity; new policies and programs will accelerate that progress, avoiding more than 500 million metric tons of GHG emissions over the next ten years – the equivalent of taking nearly one out of every three cars off the road. This goal is comparable to the average progress that nations participating in the Kyoto Protocol are required to achieve.
- ⌋ **A New Tool to Measure and Credit Emissions Reductions.** The U.S. will improve its GHG registry to enhance measurement accuracy, reliability and verifiability, working with and taking into account emerging domestic and international approaches. These improvements will give businesses incentives to invest in new, cleaner technology and voluntarily reduce greenhouse gas emissions.
- ⌋ **Protect and Provide Transferable Credit for Emission Reductions.** The President will direct the Secretary of Energy to recommend reforms to: (1) ensure that businesses that register voluntary reductions are not penalized under a future climate policy, and (2) give credit to companies that can show real emissions reductions.
- ⌋ **Reviewing Progress on Climate Change and Taking Additional Action if Necessary in 2012,** which may include a broad, market-based program, as well as additional initiatives to accelerate technology. If, in 2012, we find that we are not on track toward meeting our goal, and sound science justifies further policy action, the United States will respond with additional measures that may include a broad, market-based program as well as additional incentives and voluntary measures designed to accelerate technology development and deployment.
- ⌋ **Unprecedented Funding for Climate Change-Related Programs:** The President's budget in FY 2003 provides \$4.5 billion for global climate change-related activities – a \$700 million increase. This includes the first year of funding for a five-year, \$4.6 billion commitment to tax credits for renewable energy sources.
- ⌋ **A Comprehensive Range of New and Expanded Domestic and International Policies,** including:
 - § Expanded research and development of climate-related science and technology
 - § Expanded use of renewable energy
 - § Business sector challenges
 - § Improvements in the transportation sector
 - § Incentives for sequestration
 - § Enhanced support for climate observation and mitigation in the developing world.
- ⌋ **A Better Alternative to the Kyoto Protocol.** Rather than making drastic reductions in greenhouse gas emissions that would put millions of Americans out of work and undermine our ability to make long-term investments in clean energy – as the Kyoto Protocol would have required – the President's growth-based approach will accelerate the development of new technologies and encourage partnerships on climate change issues with the developing world.

FOR MORE INFORMATION ON THE PRESIDENT'S INITIATIVES PLEASE VISIT WWW.WHITEHOUSE.GOV

The information presented here reflects EPA's modeling of the Clear Skies Act of 2002. The Agency is in the process of updating this information to reflect modifications included in the Clear Skies Act of 2003. The revised information will be posted on the Agency's Clear Skies Web site (www.epa.gov/clearskies) as soon as possible.