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Foreign Policy

Cut Power Plant Pollution

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No Congress? No problem. Here's what Obama can do now.



Let's get one thing out of the way: No president, and no country, can stop global warming single-handedly. Even slowing it is tough. President Obama isn't going to halt the rise of the oceans in his second term. And with Congress hostile to cap and trade and most other ideas for slowing, let alone rolling back, global warming, it will be difficult for him to do what's necessary.

The planet, of course, isn't interested in excuses, not when the Arctic is turning free of summer sea ice some 50 years ahead of schedule. If Obama wants to make real progress, he's going to need to use

every rhetorical skill in the playbook to tell Americans that this issue matters for their lives. And he's going to need to get creative.

The president can start by setting an example in his own house, quite literally. Based on Executive Order 13514, signed in October 2009, Obama established a 28 percent emissions-reduction goal for the federal government by 2020. While working toward this goal, the administration should take the opportunity to implement a tried-and-true market approach: Follow the lead of some big corporations like Microsoft and make each part of the government financially accountable for its greenhouse gas emissions by putting a price on carbon dioxide — at least the roughly \$20 per ton established by the federal government's own interagency working group as the single best value. That would allow the government to meet its overall target the most cost-effective way possible.

Why would that work? Look no further than a few feet from Obama's doorstep. In 2010, the city of Washington imposed a 5-cent fee on disposable bags — and it has worked, cutting their use by 80 percent within a year by some estimates. (Ireland's 15-euro-cent fee introduced in 2002 slashed bag use more than 90 percent — a billion bags a year.) It teaches a valuable economics lesson: Incentives get results.

But barring a deal with Congress — not to mention a global climate deal with real teeth — that could make such smart incentives possible, how can Obama achieve the maximum amount of overall carbon reductions? It turns out he has many ways to make a real and appreciable difference.

Obama should look to the time-tested Clean Air Act of 1970 and its 1990 amendments, both passed with large bipartisan majorities and signed into law by Republican presidents. The 1990 amendments gave the country cap and trade for sulfur dioxide, a resounding success story that started to combat acid rain — in record time and under budget. He ought to use the Clean Air Act to reduce carbon dioxide as well. The president's legal authority on that is clear.

In 2007, the Supreme Court, ruling against a then-reluctant Environmental Protection Agency (EPA), found that carbon dioxide is indeed an air pollutant. In 2009, the EPA determined carbon was dangerous enough to require regulation under the Clean Air Act, a decision since affirmed by the U.S. Court of Appeals for the District of Columbia Circuit.

If Congress refuses to act, Obama ought to spur the EPA's regulatory efforts. These fall chiefly into three areas: transportation, power plants and other stationary sources, and methane leakage.

During his first term, the EPA strengthened greenhouse gas and fuel-economy standards for cars to achieve a fleetwide average of 54.5 miles per gallon by model year 2025 — nearly doubling the number of miles the average car can go on a gallon of fuel. Obama ought to build on that to decrease carbon pollution from transportation more broadly, beginning with vehicles ranging from 18-wheelers to commercial delivery trucks.

Power plants pollute even more than cars, and new standards for plants, especially existing ones, could deliver even more climate benefits. Newly cheap natural gas extracted from shale formations is already making new coal plants uneconomic. Continually strengthened Clean Air Act standards could show that natural gas is truly a bridge to a cleaner energy future, not a way to get addicted to yet another fossil fuel.

Natural gas, of course, is no panacea. It produces half as much carbon dioxide as coal when burned, but natural gas is mostly methane, a far more potent greenhouse gas than carbon dioxide, especially in the short term — decades rather than centuries. Getting methane leakage under control is essential. If too much leaks from the supply chain, whatever advantage natural gas has over coal could be erased. Without going to Capitol Hill, Obama can further tighten methane-leakage standards to ensure the shale gas revolution does, in fact, decrease the power sector's global warming impact.

Obama's climate policy has been lucky as much as it has been good. Through a combination of cheap natural gas, increased use of the Clean Air Act, and state action, the United States is almost on track to achieving Obama's declared goal of decreasing carbon emissions 17 percent below 2005 levels by 2020. Achieving that goal, however, won't happen automatically. It will require using the Clean Air Act to rein in the worst offenders. Moreover, Obama's long-term goal of reducing emissions 83 percent below 2005 levels by 2050 cannot be met by executive action alone.

How can he do it? The most effective way of tackling carbon pollution is to enlist market forces on a grand scale by putting a price or a direct cap on carbon. Congress would set limits on overall emissions and then get out of the way, letting businesses and entrepreneurs figure out the best and cheapest way of avoiding emissions. California can help set the right example with its comprehensive cap-and-trade system — the same approach that has done wonders for decreasing acid rain.

But until that long-delayed moment when Congress becomes ready to follow the president's lead, relying on existing law will have to do.

Gernot Wagner, author of But Will the Planet Notice?: How Smart Economics Can Save the World, is an economist at the Environmental Defense Fund. Published in Foreign Policy on January 4th, 2013. Tagged: EPA, featured, Washington Share on: **g**+ **Up Next** Foreign Policy Why Bloomberg Endorsed Obama Yes, it really is climate change, stupid. Tagged: featured, Media, Perspective, Washington More Articles Keep in touch.

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