

Administration Seeking Momentum for Clean Energy Standard

Evan Lehmann, New York Times, 1-27-11

President Obama and key members of the administration fanned the nation yesterday to promote his plans to expand clean energy initiatives, moving quickly to build momentum behind a key agenda item pitched to a national audience on Tuesday.

The effort contrasts with Obama's low-key approach last summer, when Senate Democrats were struggling to advance climate legislation that collapsed before midterm elections. Obama now is rallying workers in solar and wind plants and using campaign-style appearances to underscore the urgency around a clean energy standard.

"We need to get behind innovation," Obama said at Orion Energy Systems in Manitowoc, Wis. "That's how we'll meet the goal I set last night and make sure 80 percent of America's electricity comes from clean energy sources by 2035."

"That is a goal that we can meet," he added. "That is a goal we must meet."

Obama chose a potent backdrop to emphasize the energy initiatives he announced in the State of the Union address. After a damaging defeat in the midterm elections, in which Obama's party suffered because of high unemployment, the president is connecting jobs to clean energy.

Orion, which manufactures efficient commercial lighting and solar photovoltaic systems, had one employee on the factory floor in 2004. Now, the company has 250 workers and is planning to hire another 50 soon.

In Indiana, meanwhile, Vice President Joe Biden visited an electric car battery plant owned by Ener1 Inc. to underscore Obama's plan to put 1 million low-emission cars on the road by 2015. The president also proposed shifting a \$7,500 tax break available to those who buy electric cars into a rebate. The money would be given to motorists when they drive their new vehicle off the lot.

The president faces political obstacles in enacting his plan. The clean energy standard is only an outline that encourages Congress to promote renewable and nuclear power, as well as "efficient natural gas" and coal using carbon capture and sequestration technology, which is not yet used commercially.

Thousands of nuclear reactors?

The standard's diverse portfolio of fuels could attract lawmakers whose districts generate any of those energies. But it's unclear if Republicans -- especially newcomers attuned to the tea party -- would be willing to enact a government mandate that forces utilities to derive a certain percentage of their electricity from specific fuel sources. They might call it big government, even though many of them promote nuclear power.

The details will matter. And they appear elusive. Obama's clean energy outline favors sources like wind, solar and nuclear over "clean coal" and natural gas. Those fossil fuel energies, which emit some greenhouse gases, would receive "partial credits" under a clean energy standard that may allow utilities to trade energy credits earned by using low-carbon power sources, according to a White House fact sheet.

The plan also calls for tightened efficiency standards on things like household appliances, and includes the Home Star program, a \$6 billion proposed program to encourage homeowners to save energy through

insulation, new mechanical systems and retrofits. Those programs could offset higher energy prices and create jobs, supporters say.

Obama's plan has so far been generally heralded by his party and its special interest groups, although some voices of dissension, outside of Republicans, are rising to the surface.

"If we use nuclear power as [a] clean energy solution to climate change, we're going to have to build thousands of reactors," said Arjun Makhijani, president of the Institute for Energy and Environmental Research. "It is certain if the U.S. includes nuclear as clean energy, others are going to do it and it will become the global norm, and then we will be headed to severe problems."

Chu: 'We can achieve that'

The group opposes nuclear power because of its radioactive waste, heavy use of water, and potential as terrorist targets.

Oil and gas industry trade groups have also criticized the president's plan, which proposes ending tax breaks for oil and gas producers and using that revenue to develop clean energy technologies.

Bruce Vincent, chairman of the Independent Petroleum Association of America, warned of "job-crushing" taxes on small operators that could result in layoffs and higher gasoline prices.

"The president's massive tax hike proposal ... would cripple our industry's ability to compete, leaving struggling American consumers more vulnerable to unstable energy prices at the pump and in their homes, and deepening our nation's dependence on often unfriendly regions of the world to fuel our economy," Vincent said in a statement.

Energy Secretary Steven Chu, meanwhile, told a town hall meeting yesterday that the nation is about halfway to the president's goal of deriving 80 percent of the nation's electricity from clean energy. Current use of nuclear, hydropower, natural gas and renewable energy accounts for about 40 percent, he said.

"So if you put it in that context, is it ambitious? Yes," Chu said. "Is it over the top, we can't achieve that? No. We can achieve that."