## **National Journal**

## **Energy**

## Is Obama's Biggest Climate Move Already Done?

Power-plant rules headline action plan, but fuel-economy standards could mean bigger cuts.



(Alex Wong/Getty Images)

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The Obama administration's proposal for existing power plants to slash emissions by 30 percent by 2030 is being hailed by supporters as the centerpiece of the president's climate action plan.

But it's possible that President Obama's biggest climate move came in his first term, when he ushered in rules that would double the fuel economy of vehicles by 2025. The fuel-economy and greenhouse-gas-emissions standards for cars and light trucks finalized in 2012 could make a bigger dent in emissions than the power-plant rule, with more industry involvement.

Those vehicle rules, which require a fleetwide fuel-economy average of 54.5 miles per gallon by 2025, are projected by EPA to cut 580 million metric tons of greenhouse gases by 2030.

It's tough to make a direct comparison with the power-plant rules, but <u>The Washington Post</u> says those rules will cut 550 million metric tons by 2030 (according to <u>EPA's rules</u>, a state compliance model would mean a reduction of 555 million metric tons, while a regional compliance approach would mean 545).

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Experts say the flexibility built into the power-plant rule makes an exact figure difficult to estimate before knowing how states will choose to meet EPA's 30 percent reduction goal.

<u>According to EPA</u>, electricity generation is the nation's largest source of greenhouse-gas emissions, contributing 32 percent of the nation's total. Transportation is a close second, accounting for 28 percent of greenhouse-gas emissions in 2012.

It's also worth noting that while the power-plant standards are almost sure to be challenged in court—potentially delaying or blunting their impact—the fuel-economy standards were crafted with the auto industry's input. Automakers, concerned about the threat of a state-by-state fractured approach driven by California, backed a single nationwide standard and helped negotiate the final result.

While some Republicans have said the fuel standards will weaken public safety and raise the cost of cars, there's been little real movement to kill them. A 2012 <u>report</u> from House Oversight Committee Chairman Darrell Issa alleging that the rules were the result of a backroom deal ultimately made little headway.

A midterm review in 2017 could allow the industry to roll back the standards in response to market concerns, but it's too early to know how that review will go.

In a manufacturers' <u>performance review</u> covering model year 2012, EPA found that automakers are slightly ahead of projected emission reductions for the first year of the standards.

Dan Becker, executive director of the Safe Climate Campaign, said that loopholes in both rules will ultimately dictate their efficacy, but that the industry response to the fuel-economy standards should provide a model for utilities.

"What we saw in the car rule was the inevitability that there would be changes forced the auto industry to begin planning well before the effective date of the rules," Becker said. "I imagine many in the utility sector will be smart and say, 'This is coming, let's figure out the most effective way to meet it.' "

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