

Bryan Cave Energy Update

April 16, 2010

White House

WH Rhetoric Points to Energy and Climate Bill

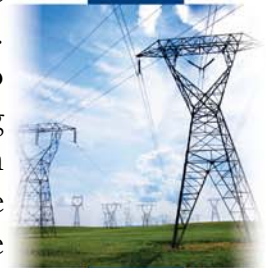
The Obama Administration is making the case for congressional action on the next large plank of the President's domestic agenda—capping carbon emissions. Larry Summers, the head of the National Economic Council, gave a rousing speech last week noting long-term consequences if Congress fails to follow through on a legislative overhaul of energy production. Summers outlined ways a climate and energy bill can help the U.S. economy grow, and these comments were welcomed from climate change advocates. As anticipation grows for a draft bill from Senators John Kerry (D-MA), Lindsey Graham (R-SC), and Joe Lieberman (I-CT), many believe the Administration will begin leaning on “reluctant swing votes” as the details emerge. Senate Democrats are worried about the public backlash after the health care fight and many moderates are “dubious” about

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another sweeping expansion of government.

State Department Envoy Defends Abstention on South African Coal Plant

The Obama Administration defended the U.S. decision to abstain from a World Bank vote that cleared the path for South Africa to construct a large scale coal-fired power plant this week. The loan approval has led some to believe that the Bank was undermining its role as a lead financier for clean energy. The U.S. deputy climate envoy, Jonathan Pershing, did not vote against the loan, citing the “ongoing development need” on the continent and the “fraught energy situation” in South Africa, despite “concerns about the plant's management and emissions.” The World Bank loaned \$3.75 billion to Eskom Holdings, Ltd., a South African state-owned utility company, for a 4,800 megawatt power plant to be built north of Johannesburg. The loan has caused a ruckus among environmental groups and reached the floor of Congress. Members from both parties on the



House Africa and Global Health Subcommittee approved a “middle path carved out by the Administration” by abstaining instead of voting against the plant so that development would not be “hampered.”

Nuclear Regulatory Commission licensing process. These revisions have been heavily lobbied by critics of the House-passed climate bill, and their resolution will be key if the bill is to pass the Senate. Some observers expect the Kerry/Graham/Lieberman bill will give more credit to utilities’ historic emissions levels than the House-passed climate bill.

Congress

Sen. Graham: Climate Bill May Revise Allowance Allocation Formula

According to Sen. Graham, the joint climate and energy bill that he is preparing with Sen. Kerry and Sen. Lieberman will limit greenhouse gas emissions trading to the utility sector. Graham’s goal is to release a draft bill next week and then work to negotiate further on a few key issues. He made his remarks to reporters on the Hill about several aspects of the bill, which may also include streamlining the

Industry

Ford: Our Future in Electric Cars

Bill Ford, Executive Chairman of Ford Motor Co., outlined his version for the future of the auto industry at a speech in Detroit this week. Closing out the SAE World Congress Conference, Ford said the future of the auto industry lies in electric vehicles, noting several electric-powered and hybrid models Ford will roll out in the near future.

More Information

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