

# Energy/Cap and Trade

## OVERVIEW

ABC believes America needs a comprehensive national energy policy that reduces the country's dependence on foreign sources of energy by increasing domestic production while implementing standards that will help conserve domestic natural resources and lessen the detrimental impact domestic energy production has on the environment.

The call for a comprehensive energy policy has grown steadily as gas prices fluctuate and the United States remains heavily dependent on foreign sources for oil. After Sept. 11, 2001, energy became not just an economic issue, but a security issue as well. Members of both political parties have recognized the need for a national energy policy, yet the two sides have substantially different strategies on how to best implement a program. Republicans advocate a national energy policy focused on increased production, while Democrats stress conservation. ABC believes a comprehensive national energy policy should include both increased production and conservation.

Congress must address the energy problem, as the issue will not disappear. During the next 20 years, U.S. oil consumption will increase by 33 percent and demand for electricity will rise 45 percent. Future energy demand is going to vastly outstrip the supply if no action is taken.

## ABC SUPPORTS

- Lessening America's dependence on foreign sources of energy by increasing domestic exploration and production of fossil fuels.
- Allowing responsible oil and gas development off-shore and in the Arctic National Wildlife Refuge.
- The development of oil shale technology and the construction of new refineries along with new and sustainable energy sources.
- Increasing construction of new nuclear power plants.
- New construction and upgrades to power plants and transmission infrastructure (e.g., pipelines) built with open competition and without government-mandated project labor agreements.
- Increasing the use of alternative/renewable fuels, such as wind, solar and geothermal energy, and vehicles powered by these sources.
- Tax incentives for energy efficiency and conservation for both homeowners and businesses.

## ABC OPPOSES

- Efforts that increase the regulatory burden through the Clean Air Act, the Water Act, the Endangered Species Act and the National Environmental Policy Act.
- The American Clean Energy and Security Act of 2009 (H.R. 2454) and the Clean Energy Jobs and American Power Act of 2009 (S. 1733), both of which contain a cap and trade provision that would increase the cost of energy—including gasoline, diesel fuel and electricity—for every person and business. H.R. 2454 also includes a massive expansion of the Davis-Bacon Act by subjecting any project funded directly, or in part, by the legislation to prevailing wage requirements. The House of Representatives passed H.R. 2454 on June 26, 2009. S. 1733 was placed on the Senate Legislative Calendar on Feb. 2, 2010.