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“Devils in the details”

Concerned citizens meet to learn about dangers of ‘cap and trade’ legislation

By: Janice McIntyre - El Dorado News Times

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“In the 30 years I’ve lived in Union County, this is the single biggest threat I’ve seen to our community. This bill is not about climate change, it doesn’t address it,” said Claiborne Deming, during a Citizens Against Cap and Trade meeting Tuesday morning.

Over 500 concerned citizens met at 8 a.m. Tuesday at the El Dorado Municipal Auditorium to learn about the current bill that passed the House by a narrow margin and Deming said will probably be voted on by the Senate in October or November.

He urged Arkansas residents to contact U.S. Senators Blanche Lincoln and Mark Pryor and ask them to vote against the bill, titled “The American Clean Energy and Security Act of 2009.”

Deming said the bill is an example of how “extremists have high-jacked the climate change issue,” adding that the bill is “good old-time politics – reward your friends and punish your enemies. They are directly attacking the hydrocarbon economy.”

He explained that large coal companies in the U.S., the ones who emit the most carbon dioxide into the environment, will be given more permits to release CO₂, while oil refiners like Lion Oil, Murphy Oil, Cross Oil, Chemtura and El Dorado Chemical – all large South Arkansas companies – will have to pay for their permits to release carbon dioxide.

“We are not the problem,” Deming said, describing the Waxman-Markey Cap and Trade bill as the “biggest shoot-yourself-in-the-foot” plan he has seen.

“It is so asinine and counterproductive. Enviros (environmentalists) want to impose a different lifestyle on us. In the end, there will be no real impact on climate change – a perceived problem.”

He said the title of the bill sounds great – secure energy and a cleaner America – but in fact, the bill will only destroy Arkansas’ economy and other states, and will cost taxpayers and working people more money, which will only increase the already dire economy.

Deming encouraged those in the audience to contact their friends in central and northwest Arkansas and ask them to also contact Lincoln and Pryor about opposing the bill, explaining in south Arkansas, “we don’t have the votes.

“It will impact them, too, and I’m going to take this message throughout the state. We have got to do something. This is a critical issue,” he said. “People need to know this is being real sneakily done under false energy security and a cleaner climate. This is not about climate change or why would they let the coal guys burn?”

He accused Lincoln and Pryor as being “fence sitters,” and commended U.S. Rep. Mike Ross, D-Prescott, for continuing to voice his opposition to the bill and voting against it in committee and on the House floor. Deming said the bill is a way for the government to raise money for the government. “It’s a great two-fer.”

“We don’t want this bill out of the Senate. These people are extremists. Congress is dominated by east and west coast people,” who Deming said don’t like the way we live in the south and want to change our lifestyle.

“This bill is about imposing a way of life on us – rewarding their friends and punishing enemies. They don’t like us and they want us to have to buy more permits” to release CO2.

A sample letter presented during the meeting for residents to send to senators reads, in part, “This bill... is really a tax and will impose enormous economic costs, destroying thousands of jobs here in south Arkansas and forcing the price of gasoline and other fuels to skyrocket. I urge you to oppose the carbon cap and trade approach approved by the House of Representatives.

“...After it destroys the markets for our local producers, it will reduce prices paid to the thousands of royalty owners throughout South Arkansas. Some experts are saying that the Waxman-Markey Tax is a product of the coal industry, ‘specifically intended to exclude gas from playing any meaningful role in the country’s energy future.’

“This bill will not improve the energy security of the U.S., nor will it significantly impact global emissions of CO2, because it fails to address emissions from India and China. What this cap and trade program will do is unnecessarily increase energy costs for American businesses and families, and will send more jobs to foreign countries and disproportionately cause economic harm to Arkansas.”

Another letter said the bill “represents a clear and present danger to the United States.”

Arkansas Rep. John Lowery, chairman of Citizens Against Cap and Trade, introduced Deming, former president and chief executive officer of Murphy Oil Corp., and current chair of the Murphy Oil Corp. Executive Committee.

Lowery said there are lots of “devils in the details” of the bill that would have a “severe impact on South Arkansas. We want everyone to know about the impact of this bill – not just in Arkansas but all across the nation. We don’t need this type of legislation anytime and especially in these economic times.”

Deming also said the bill, which he said will not change the climate or provide secure energy for the country, “may be a way for Congress to raise money and they will be giving permits (to release CO2 into the environment) away to favored groups.”

He said the current world population is about 6 billion people. It is predicted that by the year 2030, over 8 billion will populate the Earth and most of that population increase will occur in developing countries around the world. He said because of the population increase in other countries, of course the demand for energy will also increase dramatically.

“We need every form of energy possible to feed and clothe this world.” He said according to a U.S. Department of Energy survey, in 2008, the country’s energy is derived 23.7 percent from natural gas, 22.38 percent from coal, 8.34 percent from nuclear power, 6.64 percent from renewables and 38.94 percent from oil – which shows that about 85 percent of our energy comes from fossil fuels.

He explained that “greener renewables,” to generate power, such as hydropower, wind and solar, are now heavily subsidized by taxpayers and greens cannot replace fossil fuels. He said we cannot build enough windmills to produce the energy needed and solar power absorbs water from the environment.

Currently, China is the primary emitter of CO2 and in 2006, their carbon emissions started exceeding the U.S. Now, because Americans are attempting to cut back on power consumption and are using energy more wisely, our power consumption is remaining steady while China’s is skyrocketing.

On a graph displayed during the talk, Deming showed that U.S. CO2 emissions are expected to remain on an even keel for the next several years.

However, in China, where a new coal-generated power plant is built every week,

emissions will rise in alarming rates over the coming years and they have no plans to decrease carbon dioxide emissions.

“If you are convinced that CO₂ is polluting the world, then we need to go to China. We are not the problem,” he said.

The cap and trade bill calls for CO₂ emissions to be reduced by 3 percent by 2012, 17 percent by 2020, 42 percent by 2030 and 83 percent by 2050. Deming said currently in the U.S., 6 trillion tons of CO₂ emissions occur in the U.S. “Whenever you combust a hydrocarbon, CO₂ is released in the atmosphere.”

Under the cap and trade bill, in 2050, laws would only allow releases of 2.4 tons of carbon per person per year. “We haven’t had that since before the Civil War and Andrew Jackson was president,” he said.

In Arkansas, 22 tons of CO₂ are emitted per person per year – because we are a rural area and “we drive more.” He also explained that anytime an air conditioner is turned on, energy is used, cars are driven, CO₂ is released. “Energy goes into everything you buy.

“We’ll never get to that 2.4 level and that’s where extremists want to take us,” Deming said.

He explained that under the cap and trade bill, utility plants must have permits to emit CO₂. Those permits will cost money which will go to the government. Since the utilities will have to spend more money to purchase permits, those costs will be passed on to the consumer.

As years pass, to reach those lower CO₂ emissions, fewer carbon permits will be issued and so they will get more expensive over the years.

Deming said lawmakers in favor of the bill didn’t have the votes at first to pass Waxman/Markey so they started making deals with favorite utility providers, giving away 85 percent of the carbon permits. “Utility companies are very powerful politically.”

He said they get 35 to 39 percent of the permits, and one-half of the electricity generated in the U.S. comes from coal. “Coal is the most carbon-extensive and they got their permits for free. Coal guys are politically connected.”

He also said the industrial sector will be awarded more permits than they need for free, so they will sell some and make even more money. Some of the money will also go to state governments and “politically favored utilities.” Some of the money will be spent to replant trees in foreign countries, Deming said.

Local companies, like Lion and Murphy, will have to pay for their permits to emit CO2.

During a July 8 Citizens Against Cap and Trade rally, Steve Cousins, vice president of refining for Lion Oil, said his company currently emits 10 million metric tons of carbon dioxide a year. Under a 2 percent emission allowance, the company whose net profit was \$13 million last year, would have to spend \$180 million buying credits during the first five years of the program.

Deming offered a “better solution” to provide a cleaner environment and secure energy for the country by encouraging a gradual lifestyle change and said Americans are already driving less; providing a tax incentive to buy cars that are run on diesel - which has 25 percent better fuel efficiency and providing meaningful incentives to build nuclear plants.

“Enviros hate nuclear power,” Deming said, explaining that France derives 80 percent of their power through nuclear plants. “Enviros want to impose a different lifestyle on you.

“A change in your lifestyle is coming and you aren’t being told about it,” Deming said.

“It is important to contact Senators Lincoln and Pryor. If they both vote against this bill, there is a reasonable chance the bill will be eliminated,” he said to a standing ovation. “Tell them Arkansas will not accept this unfair bill.”

Contact information for Mark Pryor is: 255 Dirksen Senate Office Building, Washington, D.C. 20510, fax, 202-228-0908, phone 202-224-2353 and in Arkansas, The River Market, 500 Clinton Ave., Suite 401, Little Rock, AR 72201, fax, 501-324-5320, phone, 501-324-6336 or his constituent e-mail, www.pryor.senate.gov/contact

Contact information for Blanche Lincoln is: 355 Dirksen Senate Office Building, Washington, D.C. 20510, fax, 202-228-1371 and phone, 202-224-4843 and in Arkansas, 912 W. Fourth St., Little Rock, AR 72201, fax, 501-375-7064 and phone, 1-800-352-9364 or her constituent e-mail at www.lincoln.senate.gov/contact