

# Legislative Outlook for Climate Change Legislation

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## Recap of the role the environment has played in the 110<sup>th</sup> Congress

The U.S. House of Representatives:

- Speaker Pelosi created the Select Committee on Energy Independence and Global Warming.
- 10 total House Committees have held hearings so far this Congress on climate change and/or renewable energy.
- 360 energy efficiency and renewable energy bills have been introduced this Congress alone in both the House and Senate.

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The U.S. Senate:

- 6 Senate Committees have held hearings on climate change and/or renewable energy.
- In early June 2008, the Senate considered S.3036, the Lieberman-Warner Climate Security Act.
- This legislation would have established a mandatory cap and trade system to reduce overall emissions of carbon dioxide and other greenhouse gases by 66% from 2005 levels by 2050.
- Due to procedural motions, the bill was never voted on by the full Senate.

## What does all of this legislative activity mean?

- Every indication is that climate change legislation will be considered in both chambers in early 2009.
- Both Presidential candidates have expressed support for mandatory cap and trade programs to deal with global warming, making the prospects of legislation very likely.

## What does cap and trade legislation mean for the aviation community?

- ACI-NA has been told on many occasions that carbon credits will be traded by fuel and energy producers. This is called “upstream” impact.
- Within the aviation industry, it will be the jet-fuel producers that would have to trade credits.
- Most of the industry itself would not be involved in the carbon credit trading.

## How will climate change legislation impact the overall aviation community?

- Since most of the aviation community would be considered “downstream,” the impact is likely to be financial since energy suppliers will charge for having to trade carbon credits.
- For example, the airlines have opposed cap and trade legislation in part because they expect that it will cause fuel prices to rise.

## How will climate change legislation likely impact airports?

- At this point, we do not expect airports to be specifically targeted by any legislation.
- Therefore, airports would be impacted like every other consumer of energy.
- Airports will likely pay more for energy costs.
- Nobody really knows how much energy costs will increase.

## What is the role for airports in this debate?

- Airports can continue practicing and promoting environmental best practices.
- ACI World has taken a supportive position towards a cap and trade system as long as it entails an international carbon trading approach.
- ACI-NA can take an official position on climate change principles.