



Climate Change Legislation

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Climate Change Legislation – The Refiners' Perspective

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NPRA

Who is NPRA?

- 94 regular members -- domestic refining and petrochemical producers – 95% of domestic production
- 300 associate members that supply goods and services to refiners and petrochemical manufacturers

NPRA's Climate Change Principles



- Clean Air Act is not appropriate for regulating GHGs
- Targets and timetables must be achievable
- Transparency
- Energy neutrality – not pick winners and losers
- Protect domestic industries, American families and jobs
- Pre-emption of federal and state GHG regulation
- “There is no free lunch”

Climate Change Legislation To Date



- House – Waxman-Markey
 - Passed narrowly in 2009
 - Would not pass House today
- Senate – Boxer-Kerry and Kerry-Lieberman
 - Discussion draft released
 - VERY difficult road to 60 votes in 2010

Why NPRA Opposes Waxman-Markey and Kerry-Lieberman



NPRA

- Each fails to meet each of NPRA principles
 - Ignores GHG emissions from foreign nations
 - Targets and timetables too aggressive
 - Virtually no transparency
 - Little or no protection of domestic refining industry
 - Sold as “free lunch” – no pain; “green jobs”
 - No comprehensive pre-emption of federal and state GHG regulation

Impacts of Current Legislation

- Export our energy future – less domestic manufacturing, more finished product imports
- Export our U.S. jobs – workers would lose jobs in manufacturing and energy-intensive industries
- Huge energy cost increases – electricity, gasoline, diesel
- No meaningful impact on climate change absent international agreement
- Harm to nation's energy security
- Economic impacts will actually PREVENT a more diverse energy future

Predictions for the Future

- Climate legislation will not become law in 2010
- Federal legislation will not be enacted until there is a significant economic recovery
- EPA's GHG regulations will be held up by courts
- Significant political shift in November 2010
- New, multinational effort undertaken in 2011 and 2012



NPRA

Conclusion

- NPRA views are not “popular”
- Proponents seek to demonize “Big Oil”
- Straight talk, instead of “faith-based” legislating, is needed





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