

PRESIDENTIAL

CANDIDATES REPLY

ON ENERGY AND

THE ENVIRONMENT

Although environmental and energy issues have not been at the forefront in the presidential campaigns of 2004, it is clear that both leading candidates have markedly differing views regarding energy independence, regulatory policy, and resource management. RFF, which seeks to provide impartial and objective information on key energy and environmental options facing the United States, traditionally gives an opportunity for the two candidates to answer specific questions that we believe may not have received sufficient attention. The responses provided by President George W. Bush and Senator John F. Kerry follow.

However badly needed, new energy facilities—whether power plants, liquefied natural gas (LNG) terminals, electricity transmission lines, or petroleum refineries—are almost impossible to site because of intense local opposition. Is federal preemption necessary in cases like these and, if not, what can be done to break the NIMBY bottleneck?

BUSH One component of my comprehensive national energy plan is increasing domestic energy production, which in some cases requires building new infrastructure, including electricity transmission lines, pipelines, wind turbines, and refineries. Siting and constructing these facilities can run up against conflicting interests at the state and local levels, which is why this issue demands local, state, and national solutions. For electricity transmission lines, which involve the most difficult siting problems, I support federal preemption, but only as a last resort—that is, the federal government should collaborate with the relevant state and local agencies to try to meet their concerns but also should retain the right to construct energy projects that meet compelling national needs.

KERRY I believe that we need a balanced energy policy that recognizes the critical role energy plays in creating and preserving jobs and in ensuring our security. I also believe that we need an energy policy that lowers costs for the American consumer and that protects our environment. Under a Kerry–Edwards administration, there will be a new commitment to energy policy that will give all stakeholders—including consumers and communities—a seat at the policy-making table. With the federal government leading such an inclusive process, and by making clear the national priorities of a more secure and energy-independent America, I believe that we can overcome many obstacles to the siting of critical energy infrastructure. By reaching out to all stakeholders and undertaking an inclusive process and dialogue, I also believe that we can get new needed facilities sited without undue conflict and delay.

Would you favor an enhanced federal role in the creation of water markets, particularly in the western United States, in which water rights could be bought and sold?

BUSH Chronic water shortages in the West are among the greatest environmental challenges facing the nation in the coming decades. Some states are actively considering creating water markets within their borders to address these shortages, and I applaud those efforts. Establishing interstate water markets introduces very complex legal questions involving court decisions and preexisting interstate water compacts. These multi-state markets could help address water shortages in the West, but any attempt to create them must abide by outstanding legal arrangements and involve a collaborative process among states, tribes, farmers, and local communities that depends on water supplies.

Through my Water 2025 initiative, the Interior Department is working with states, water districts, tribes, and citizens to better meet the water needs of the West through conservation, water transfers, better collaboration among users, and new technologies. The entire approach builds upon a foundation of state water rights, existing contracts, and a competitive grant process.

KERRY The drought that has hit much of the West is the latest reminder that water is one of our most precious resources, and we must use every tool that we can to ensure that it is used wisely and is available to those most in need. Accordingly, I strongly support the increased flexibility that comes with the creation of water markets, so long as such markets are consistent with state law requirements and take into account potential environmental and third-party impacts (such as impacts on farmers whose water is being made available to urban areas).

As the manager of the largest water projects in the nation, the federal government can, and should, play a key role in working with the states to develop water markets and to introduce other modern tools that respond to our serious and growing needs for ample supplies of clean water for our farms and our cities. I will direct the Secretary of the Interior to push forward aggressively with states, tribes, and other interested parties to facilitate water marketing, conservation, and other modern water management approaches.

What do you regard as the greatest success of U.S. environmental policy? The greatest failure?

BUSH The Acid Rain program, which created an innovative market-based trading system to reduce harmful power plant emissions of sulfur dioxide and nitrogen oxides, has been an overwhelming success. My Clear Skies initiative, which will reduce power plant emissions of sulfur dioxide,

nitrogen oxides, and mercury by 70 percent, builds on this program, which has delivered cleaner air faster and cheaper than anticipated.

The Endangered Species Act (ESA) has served a noble purpose, which Americans overwhelmingly support. But over the last 30 years, successes under ESA have been fleeting, largely due to an ever-growing barrage of litigation preventing the Fish and Wildlife Service from protecting new species and recovering plants and animals already listed as threatened or endangered.

I remain committed to the goal of protecting species to enhance their chances for survival. I believe we can achieve greater progress in protecting species for future generations through results-based cooperative conservation programs and voluntary agreements that encourage private stewardship. The ESA must be updated to reflect new approaches that focus resources on species in need of recovery, not on lawsuits.

KERRY In the 1970s and 1980s, the United States moved aggressively, and in a bipartisan fashion, to respond to serious insults to our environment. By working together, significant progress was made to reduce pollution from industrial smokestacks, treat wastes that were discharged into our rivers and lakes, and clean up hazardous waste sites.

The greatest failure in environmental policy, in my view, has been the Bush administration's unwillingness to carry forward this successful formula and address the serious new threats that air and water emissions from industrial facilities now pose to the health of our citizens and to the long-term vitality of our economy. The current administration instead has favored special interests over *our* interests by shutting down enforcement actions against polluters and by supporting industry requests to roll back Clean Air Act requirements.

Should the United States adopt a single "recipe" for gasoline and abandon efforts to tailor separate blends for different metropolitan areas?

BUSH In 2001, following a recommendation in my National Energy Policy Report, the Environmental Protection Agency examined options to increase the flexibility of the nation's fuel system without affecting prices or fuel supplies. At this point, the agency continues to work with stakeholders to examine whether that is feasible.

KERRY The proliferation of "boutique" fuels has led to a segregated market that leads to higher prices and a lack of flexibility. I reject the idea that oil company profits should come first and that the answer to the boutique fuels issue is to waive all environmental requirements. I will work to develop a streamlined menu of fuels that can reduce supply bottlenecks, make markets more competitive, and lower prices without sacrificing clean air. ■