

PickensPlan

T. Boone Pickens Media Coverage 7.23.10

Total of 15 Placements

- Print: 7
- Blog/Online: 6
- Broadcast: 2

Coverage Summary:

Politico's Morning Energy lists Pickens as one of Thursday's biggest winners after Reid announced part of the Pickens Plan will be included in the energy bill.

The *Dallas Morning News*, *McClatchy* and *New Republic* pieces also mention the Pickens Plan's inclusion in Reid's legislation.

The *New York Times*, *Reuters* and *Bloomberg* articles do not mention Pickens by name, but list the promotion of natural gas vehicles in an effort to cut oil imports as a piece of the energy bill.

Nucor CEO Dan DiMicco appeared on *CNBC's Mad Money* last night. During the interview, DiMicco referenced the op-ed he wrote with Pickens for *Politico*, saying it has been well received. Here is a clip of the interview (the reference is near the 5:35 mark):

<http://www.cnbc.com/id/15840232/?video=1549927679&play=1>

Highlighted Placements (Full Articles Below)

Politico's Morning Energy – *Politico* – 7/23/10

Latest Senate Energy Bill - Pickens Plan Is In, Climate Change Is Out – *Dallas Morning News Blog* – 7/22/10

Climate And Energy Bill Delayed As Political Support Withers – *McClatchy Newspapers* – 7/22/10

Philadelphia Inquirer

New London Day

Sydney Morning Herald

Natural Gas Vehicles, Here We Come – *The New Republic* – 7/22/10

Notable Natural Gas Coverage (Full Articles Below)

Democrats Call Off Climate Bill Effort – *New York Times* – 7/23/10

Senate Climate Bill In Peril As Democrats Delay Action – *Reuters* – 7/23/10



Kerry Says Democrats May Take Broad Climate Bill After Election – *Bloomberg* – 7/23/10

Blog/Online Placements (Full Articles Below)

Cap and Trade is Dead (Really, Truly, I'm Not Kidding). Who's to Blame? – *Time Blog* – 7/22/10

If Not Now For Climate Change, When? – *Salon.com* – 7/23/10

HIGHLIGHTED COVERAGE

Politico's Morning Energy – *Politico* – 7/23/10

By Coral Davenport

SENATE PULLS PLUG ON ENERGY/CLIMATE BILL. HERE'S HOW IT FELL APART – “It would seem the stars had been aligned like never before for climate legislation. But by Thursday, the White House’s biggest energy and environmental initiative sat in tatters, relegated to an unknown election-year abyss after Senate Majority Leader Harry Reid said he didn’t yet have 60 votes and would instead move to the lowest hanging energy fruit. Exactly when the Senate legislation came apart will now be open to historical interpretation – but the blame game has already begun.” <http://politi.co/aZbpan>

JOIN THE DEBATE - In Energy Arena, POLITICO asks: How have the political fortunes of Govs. Haley Barbour, Bobby Jindal and Charlie Crist been affected by the Gulf oil spill? Have they helped or hurt their chances for higher office? Join the conversation at: <http://www.politico.com/arena/energy/>

Good Friday morning and welcome to Morning Energy, and the aftermath of yet another failed Senate climate change bill – the chance many advocates say was the last, best shot of getting a bill through for the foreseeable future. What comes next? Email thoughts on the new climate landscape to cdavenport@politico.com

AMERICA PUNTS ON CLIMATE; CHINA ACTS – Chinese officials have decided to move ahead with a carbon cap-and-trade system. <http://bit.ly/duKY4A>

FINGER-POINTING – No surprise that Ds blame Rs, Rs point to Ds’ fractured caucus, advocates blame election-year timeline and chide Obama for not pushing the issue. But here’s a new one: White House blames enviros: As Darren reports, “ One exasperated administration official on Thursday lambasted the environmentalists – led by the Environmental Defense Fund – for failing to effectively lobby GOP senators. ‘They didn’t deliver a single Republican,’ the official told POLITICO. ‘They spent like \$100 million and they weren’t able to get a single Republican convert on the bill.’”

THE BILL THAT WILL go to the floor: will have at its core a package of provisions aimed at

tightening offshore drilling safety regulations and codifying the restructuring of the Interior Department, plus the Home Star building efficiency program, a clutch of provisions to boost natural gas vehicles, and full funding for the Land and Water Conservation Fund. Each of these pieces has already moved through committee or been co-sponsored with bipartisan support, and none represent a major change in energy policy -- so it's expected the package as a whole will move through fairly quickly. Final details aren't yet available -- Reid's staff will spend the weekend stitching together pieces from the existing bills, and we're told reporters will be briefed on the final product on Monday.

**** A message from America's Natural Gas Alliance:** Natural gas is helping small businesses grow across the country, meaning more jobs for hard-working Americans. See how natural gas production in Texas has helped Mindy's family trucking business. <http://bit.ly/9jsZjC> **

STILL NOT GIVING UP -- At least in spirit, are disappointed Senate Democrats. It's no surprise that the ever-passionate Kerry and dogged Joe Lieberman say they refuse to give up the ghost on climate -- both now characterize Reid's dumping of climate as a new time window to win over electric utilities before bringing up a power-plant-only bill this fall. But even Midwestern and coal-state moderates like Ohio's Sherrod Brown and Pennsylvania's Bob Casey said they want to keep pushing, despite the odds. "I think a lot of people are disappointed. But we still have time this summer to keep working and lining up votes, and September as well, and we just have to keep working," Casey tells Morning Energy. "What the leader has proposed is a series of important steps but I think it's still only one chapter. We've got some bigger chapters to go and we've got to work to try to get the votes, work with the White House, work to get votes on the other side. ... One thing we can't do is let this be the end of the discussion. None of us will accept that. We're still going to do awful lot of climate and energy work between now and [August recess]. The leader can go though the bill he's got but we're going to work on this. I don't see that as starting in September."

GLIMMER OF HOPE? -- The Hill reports on a July 19 draft outline of agreement on key points between utilities and major environmental groups, whose earlier failure to reach a compromise had seemed to doom prospects for a bill. <http://bit.ly/9Xdfv>

MORE PAINFUL IRONY -- A staffer notes that one of the biggest losers in Thursday's news was John Kerry, who over the past year has devoted untold hours and effort to the cause of a climate change bill, only to see it thrown under the bus in the face of midterm elections. One of Thursday's biggest winners: T. Boone Pickens, the oil magnate who financed the Swift Boat ads during Kerry's presidential campaign. As he worked to build support for his climate bill, Kerry made a tremendous diplomatic gesture in reaching out to Pickens, and promised to include pieces of the "Pickens Plan" to promote natural gas-fueled vehicles in a comprehensive climate change bill. In the end, Reid jettisoned the big energy and climate package, and instead will offer a narrow spill bill bundled with cherry-picked energy provisions -- including pieces of the Pickens Plan. So Pickens' provisions are slated to move through the Senate with relative ease next week -- on a bill sponsored by the Senate Majority Leader, no less -- while the work Kerry staked his political comeback on molders on the cutting-room floor.

NEW BATTLEGROUND: RENEWABLE ELECTRICITY – Groups on both sides of the debate tell Morning Energy that while the fight for carbon caps seems lost for the year, they’re still marshalling their forces to debate the other key energy policy dumped from the package: the renewable electricity standard. Renewable power companies are now lobbying Democrats to introduce Sen. Jeff Bingaman’s 15 percent standard as a floor amendment to the spill bill next week. “It is incredibly urgent for the industry, the head of a major U.S. renewable energy company tells Morning Energy. “We believe we have 60 votes for that, probably more.” It remains to be seen whether Reid will even allow amendments to be offered next week. But a fossil-fuel lobbyist tells Morning Energy that if it doesn’t come up next week, their industry is gearing up to fight it in the fall. Meanwhile, a former Senate Democratic aide closely involved in the climate negotiations says that if Dems are willing to be flexible on the definition of the electricity standard – allowing clean coal and possibly nuclear energy to count under the mandate, which Republicans such as Richard Lugar and Lindsey Graham support –there could still be room for a compromise bill this fall. “In the shadow of the ballot box, it’s either a bigger tent or fold up tent,” said the former aide.

SPILL SITE EVACUATED AS TROPICAL STORM BONNIE APPROACHES – From Thad Allen at midnight: “Due to the risk that Tropical Storm Bonnie poses to the safety of the nearly 2,000 people responding to the BP oil spill at the well site, many of the vessels and rigs will be preparing to move out of harm’s way beginning tonight. This includes the rig drilling the relief well that will ultimately kill the well, as well as other vessels needed for containment. Some of the vessels may be able to remain on site, but we will err on the side of safety ... While these actions may delay the effort to kill the well for several days, the safety of the individuals at the well site is our highest concern. We are staging our skimming vessels and other assets in a manner that will allow us to promptly re-start oil mitigation efforts as soon as the storm passes and we can ensure the safety of our personnel.”

SALAZAR PLEDGES TO LIMIT INTERIOR’S REVOLVING DOOR – WaPo reports: “Interior Secretary Ken Salazar told lawmakers Thursday that he will use his regulatory authority to impose strict new rules to remedy the revolving-door problems in his department ... His statement came after Rep. Jackie Speier (D-Calif.) asked about a Washington Post article that reported that dozens of former Interior officials had crossed over into the oil industry and that three out of four industry lobbyists had once worked for the federal government. The rate is more than double the norm in Washington, where industries recruit about 30 percent of their lobbyists from the government, according to data from the nonpartisan Center for Responsive Politics. With more than 600 registered lobbyists, the industry has among the biggest and most powerful contingents in Washington, The Post reported.” <http://bit.ly/bmLmkx>

HOUSE PANEL VOTES TO HALT OFFSHORE DRILLING LEASING - And to boost funds for climate change research. CQ story: <http://bit.ly/9awnbH>

**** A message from America's Natural Gas Alliance:** One solution for more abundant domestic energy is staring us in the face. Natural gas is the natural choice-now and in the future. We know we need to use cleaner, American energy. And, we have it. Today, the U.S. has more natural gas than Saudi Arabia has oil, giving us generations of this clean, domestic energy

source. Natural gas supports 2.8 million American jobs, most states are now home to more than 10,000 natural gas jobs. As Congress and the Administration look for ways toward a cleaner tomorrow, the answer is right here: natural gas. Learn more at www.anga.us. And, follow us on Twitter @[angaus](https://twitter.com/angaus). **

Latest Senate Energy Bill - Pickens Plan Is In, Climate Change Is Out – Dallas Morning News Blog – 7/22/10

By Dave Michaels

Senate Democrats emerged from their caucus meeting on energy today to announce what many of us knew -- they don't have the votes to pass a climate bill.

Instead, the legislation to be introduced by Majority Leader Harry Reid will focus on provisions that regulate offshore drilling in response to the Deepwater Horizon accident. And at the expense of oil, the bill will "pick a winner" -- natural gas (and truck manufacturers).

Reid says his legislation will include new tax credits to speed the adoption of natural gas vehicles, a la the Pickens Plan. (The underlying legislation was sponsored by Sen. Bob Menendez, a prominent critic of Big Oil.)

Here is how Reid described it in a news release today:

"One, we will hold BP accountable. We will ensure it pays to clean up its mess, and we will put forth measures to prevent a disaster like this from ever happening again. Two, we will create clean-energy jobs across America. Home Star is a bipartisan energy efficiency program that will not only lower consumers' energy costs, but create American jobs that can never be outsourced. Three, we will lessen our dependence on oil.

"And fourth, our country is blessed with abundant resources and we must tap into those. That is why we will invest in the manufacturing of natural gas vehicles. We will protect our environment by investing in the Land and Water Conservation Fund. Doing so now will help ensure our land and water is protected long into the future - even from the effects of climate change.

Note the absence of a renewable electricity standard, which would have mandated utilities get a certain percentage of power from wind, solar, and other clean sources. Many wind developers in Texas were hoping for a national RES, so they could sell renewable energy credits to utilities in the Southeast.

Stripping climate-change provisions from the legislation means it will be easier to pass, but nothing appears certain in the current political environment. Nonetheless, Reid's move insures that Pickens is a step closer to getting a return on his enormous investment (\$60M and counting) in promoting natural gas as a transportation fuel.

Climate And Energy Bill Delayed As Political Support Withers – *McClatchy Newspapers* –
7/22/10

By Renee Schoof

WASHINGTON — Bowing a lack of support, Senate Democratic leader Harry Reid on Thursday said there'd be no vote this summer on a bill that would put the nation's first limits on the carbon pollution responsible for global warming.

The decision could doom the measure's long-term chances as well.

If Democrats lose their narrow majority in the Senate in the November elections, they'd have to relinquish the leadership power that would allow them to bring it up for a vote next year. Many — but not all — Senate Democrats support it, but not a single Republican has agreed to vote for it. A similar measure squeaked through the House of Representatives last year.

Instead of a broad energy and climate bill, Reid said there would be a vote before the Senate takes its August recess on legislation that would increase liability on companies for oil spills, boost a conversion of 18-wheeler trucks from diesel to natural gas to save oil, and create a program that would give homeowners a price break on upgrades to save energy.

The energy and climate bill would have required power plants, large factories and oil and gas companies to pay for permits to emit carbon dioxide, the gas from burning fossil fuels that traps heat in the atmosphere. Most of the revenues would have been refunded to consumers to compensate for higher energy costs.

Reid said it was still possible there'd be a fall vote. However, he'd still face an uphill fight to get the 60 votes needed and the fall session will be short because of the upcoming election.

Sen. John Kerry, D-Mass., who'd been meeting with interest groups and senators from both parties for over a year to try to reach a compromise bill that would get enough votes, said the draft he proposed earlier this year would lower energy bills, create jobs in clean energy and reduce dependence on foreign oil.

Some industries, however, warned that their costs would go up and they'd lose competitiveness if carbon pollution had a price. That message made some senators, including some Democrats, fear that they'd lose their seats if they supported it, Kerry said.

"What you're seeing is classic special interest resistance," Kerry said at a town hall meeting earlier Thursday. He urged his supporters not to get discouraged but to take part in a grass-roots effort to drum up support.

"We need to take the fear out of this and empower our colleagues to go out and vote," he said.

"It is dismaying that the bill doesn't put a price on carbon because already-strong evidence about the direction of our climate has been confirmed again by NASA: The first six months of 2010 were the warmest January-to-June on record," said Rafe Pomerance, president of Clean Air Cool Planet. "As the Earth's climate continues to rapidly move into uncharted territory, the U.S. Senate needs act. The failure to price carbon leaves a giant hole in U.S. energy and climate policy, and the long-term cost to the United States will be enormous."

Reid said the scaled-down bill had enough Republican support to give them a chance to pass. It has four parts:

Oil spill: Removes the \$75 million cap on liability for oil spills retroactively to include April — the month when BP's Deepwater Horizon rig exploded and sank in the Gulf of Mexico.

Energy efficiency: Establish "Home Star," a program that would provide rebates at the cash register for energy-saving investments for homes. Reid said it could spur 350,000 to 400,000 new jobs.

Natural gas: Promote conversion from diesel fuel to natural gas for transportation, an idea pushed by oil and gas magnate T. Boone Pickens.

Conservation: Add money to the Land and Water Conservation Fund, which gives money to federal, state and local governments to buy land, water and wetlands for recreation and preservation. Most of the money comes from fees paid for offshore oil and gas drilling.

President Barack Obama's adviser on climate issues, Carole Browner, said the White House could work with the Senate to keep looking for a bill that could pass. Obama has not publicly pushed for the measure in recent weeks.

Environmental and health advocacy groups objected strongly this month to one of the compromise measures involved in the legislation.

Utilities that rely on coal asked for some exemptions from Clean Air Act restrictions on the main air pollution from their plants — smog, soot and mercury — in exchange for their consent to going first with having to pay fees for their carbon pollution. The Edison Electric Institute, an industry group, and executives of several utilities, including Duke, made the case in lobbying sessions in Washington over the past two weeks.

Six medical associations, including the American Academy of Pediatrics, wrote to Reid this week saying there should be no delay of air pollution cleanup from power plants in any climate bill. Thirty-one environmental and health advocacy groups, including the Sierra Club and the American Lung Association, made the same case in a letter last week.

The latest climate bill draft from Kerry and Sen. Joe Lieberman, I-Conn., would have set up a task force that would have considered requests from coal-fired power plants for exemptions from the three main air pollutants.

The U.S. gets about 50 percent of its electricity from coal.

Forty years after the passage of the Clean Air Act, hundreds of coal-fired power plants throughout the country still do not have scrubbers to remove conventional air pollutants — nitrogen oxide, sulfur dioxide and hazardous pollutants including mercury. Coal-fired power plants are the largest source of mercury pollution in the U.S.

The EPA has proposed strengthening the standards on air pollution in the next few years, saying that cleaner air would reduce asthma and other respiratory diseases, heart attacks and premature deaths.

Natural Gas Vehicles, Here We Come – *The New Republic* – 7/22/10

By Bradford Plumer

So the big winner of the climate-bill fiasco could turn out to be... T. Boone Pickens. That's right, the billionaire who financed the Swift Boat ads against John Kerry in 2004. According to Harry Reid, the slimmed-down energy bill that's getting introduced next week will include four parts: Some new oil-spill regulations, money for land and water conservation, incentives for home efficiency, and—this one's the kicker—money to "invest in the manufacturing of natural gas vehicles." The details are still hazy, but it's an odd choice all the same.

Pickens has been running ads in support of natural-gas vehicles for some time now. On its face, his idea makes a certain amount of sense. The country would build more wind turbines to displace natural gas in the electric sector, and then use that natural gas to power cars and trucks. Since wind is cleaner than natural gas, and natural gas is cleaner than gasoline, the plan would cut carbon emissions and reduce our oil dependency. Elegant, no? The liberal Center for American Progress has rallied behind the idea, and Pickens has appeared at a variety of Democratic energy events over the past few years to promote his plan.

Yet as a number of experts have pointed out, the Pickens scheme has some serious flaws. Yes, the plan could help us tackle our oil and carbon problems, but compared to what? A better use for America's vast shale-gas reserves may be to displace coal in the electricity sector. A recent MIT report on "The Future of Natural Gas" found that electric utilities could cut their carbon emissions 22 percent simply by switching from coal to natural gas—and that's with no additional capital investments. And that would be on top of any additional wind turbines that got built.

And what about transportation? There's a good argument that electric vehicles are a better investment in the long term. In the grand scheme of things, the combustion engine is pretty inefficient—only about 20 percent of the energy in the fuel gets used to power the car, with the rest lost as waste heat. By contrast, a combined-cycle gas turbine is about 60 percent efficient. So we'd be much better off using natural gas to generate electricity and running plug-in vehicles off the grid. Yes, electric vehicles are costly and require new charging stations. But so do natural gas vehicles—and, as a 2002 analysis in Energy Policy noted, natural-gas cars and fueling stations have historically turned out to be far, far more costly than expected.

Long story short: Natural gas vehicles aren't a horrible idea. They beat the status quo. But there are lots of non-status-quo ideas for curbing oil consumption out there, and many of them are likely to be far more cost-effective. As Adam Siegel has noted, simply electrifying rail transport would cut oil use 2.5 million barrels per day by 2020—twice as much as CAP's gas-vehicle plan at half the cost. Yet Picken's scheme is the only one getting any love. Why?

Update: Okay, according to staffers, it looks like the bill will mainly have \$5 billion for natural-gas trucks. So it's not the whole Pickens plan. It's only a tiny, tiny slice. And, it's true, limiting the focus to trucks makes more sense, since trucks have to move long distances and aren't really suited to electrification anyway (batteries still have fairly short ranges). Still, it's stunning that this is one of the only ideas for curbing oil use that made it into the bill.

NOTABLE NATURAL GAS COVERAGE

Democrats Call Off Climate Bill Effort – *New York Times* – 7/23/10

By Carl Hulse and David M. Herszenhorn

WASHINGTON — The effort to advance a major climate change bill through the Senate this summer collapsed Thursday even as President Obama signed into law another top Democratic priority — a bill to restore unemployment benefits for millions of Americans who have been out of work for six months or more.

Bowing to political reality, Senator Harry Reid, the Nevada Democrat and majority leader, said the Senate would not take up legislation intended to reduce carbon emissions blamed as a cause of climate change, but would instead pursue a more limited measure focused on responding to the oil spill in the Gulf of Mexico and tightening energy efficiency standards.

“We know where we are,” Mr. Reid told reporters after reviewing the state of energy legislation with Senate Democrats and administration officials. “We know that we don’t have the votes.”

The decision was a major disappointment to conservation groups and lawmakers who had invested months in trying to negotiate legislation. The House last year passed its own climate change bill, a proposal that has created a backlash for some politically vulnerable Democrats. The outcome was also viewed as a setback by some utility executives who had hoped that Congress would set predictable rules governing carbon pollution.

Carol M. Browner, director of the White House Office of Energy and Climate Change Policy, who appeared with Mr. Reid and Senator John Kerry, the Massachusetts Democrat who is a chief author of the climate bill, said the Obama administration was not happy but would support Mr. Reid’s decision.

“Obviously, everyone is disappointed that we do not yet have an agreement on comprehensive legislation,” she said.

Congressional and White House officials said the decision was a pragmatic move that could produce some legislation rather than bogging down the Senate over a bill that had no chance given strong opposition from most Republicans and some Democrats. They noted that the White House had acted on its own to raise fuel efficiency standards and had pushed the development of alternative fuels.

Democrats said the slimmer package would ensure that BP would pay for the cleanup of the gulf oil spill, and would promote further production of natural gas as well as the manufacturing of natural gas vehicles, especially big trucks. They said it would also tighten household energy efficiency requirements and increase financing of the Land and Water Conservation Fund.

But even the Senate's ability to pass a bill with significant bipartisan elements before its scheduled August recess was in doubt given the intense focus on the November elections.

Separately on Thursday night the Senate rejected a House version of an emergency spending bill that also contained billions of dollars for domestic programs, including \$10 billion to help states and local school districts avert teacher layoffs. Instead the Senate sent the House a version focused mainly on financing operations in Iraq and Afghanistan.

While Senate Democrats revised their energy plans, the House voted 272 to 152 to send Mr. Obama a \$34 billion six-month extension of unemployment pay for Americans who had exhausted their standard 26 weeks of aid. Signing the measure hours later, Mr. Obama said it would "restore desperately needed assistance to two and a half million Americans who lost their jobs in the recession."

The bill had been the subject of a partisan battle, with Democrats saying that the economic crisis was an emergency that justified deficit spending, while Republicans argued that the cost should not be added to the deficit.

"We want to help those who are struggling with the current economic slowdown," said Representative Charles Boustany Jr., a Louisiana Republican. "But we also agree with the American people that new spending must be paid for."

In the final vote, 31 Republicans joined 241 Democrats in supporting the measure. Voting against it were 142 Republicans and 10 Democrats.

Democrats called the Republican opposition shameful given the financial struggles of many families. The bill had been stalled since late May, and advanced in the Senate this week only with the arrival of a new Democratic senator to succeed the late Robert C. Byrd of West Virginia.

“It shouldn’t have been so hard,” said the House speaker, Nancy Pelosi of California.

Senate Climate Bill In Peril As Democrats Delay Action – *Reuters* – 7/23/10

Senator John Kerry speaks with financier T. Boone Pickens at the Capitol, May 19, 2010.

By Timothy Gardner and Thomas Ferraro

(Reuters) - The U.S. Senate on Thursday dealt a potentially fatal blow to President Barack Obama's push to curb greenhouse gas emissions, postponing its bid to pass broad legislation to combat climate change.

Senate Majority Leader Harry Reid said he plans to bring up a narrower energy bill next week that would revamp offshore oil drilling rules in the wake of the BP oil spill.

But he will put off consideration of broader legislation sought by Obama until September at the earliest.

The delay means that Obama's fellow Democrats, who control Congress, have little time to advance the complex legislation amid intense political pressure in the weeks before November congressional elections.

It also could derail global climate change initiatives, as the world's major economies and greenhouse gas emitters insist the United States play a leading role.

"Unfortunately at this time we don't have a single Republican on board," Reid told reporters.

Democrats said they hope to pass the scaled-back bill before leaving town for an August congressional recess.

Some Democrats aimed to attach climate legislation to that bill with the hope of attracting Republican support.

But Reid said he could not get any Republicans to back a comprehensive energy bill that would include provisions intended to combat climate change such as caps on carbon emissions or mandates for power companies to generate more alternative energy.

"We will fight that out in September," said a Democratic senator who did not wish to be quoted by name. "It will be tough to win."

Republicans have been near unanimous in their opposition to climate change legislation, saying the bill would be little more than an energy tax that would imperil an economy struggling to recover from recession.

SERIOUS SETBACK

Obama has made action on climate change a priority and the House of Representatives approved a wide-ranging bill last year. But lawmakers and environmentalists are increasingly doubtful a comprehensive bill can pass the Senate this year.

If Republicans make gains in November's elections, the effort could be stalled for some time.

Environmentalists said the decision to delay action on the broad climate legislation represented a serious setback.

"It would seem like the longest of long shots to me because the window for opportunity in the fall before the election season goes into high gear is very small," said Frank O'Donnell, president of Clean Air Watch, an activist group.

Democrats need at least some Republican support to advance legislation in the Senate since they control 59 seats, one short of the 60 needed to overcome procedural hurdles.

The scaled-back energy bill would promote natural-gas vehicles in a bid to cut oil imports. It also would promote energy-efficient houses and businesses, Reid said.

Reid said the bill would ensure that BP pays for the cleanup of the Gulf of Mexico oil spill and prevent future disasters, though he did not offer specifics.

Several Democrats said they thought the bill had enough support to pass the Senate -- including Senator Ben Nelson, who frequently votes against his own party.

Utility stocks in the Dow Jones Utility Average closed up 1.6 percent, slightly lagging the broader market.

'NOT GOING AWAY'

Democrats hope to pass legislation that would curb emissions of carbon dioxide and other gases that scientists say contribute to rising global temperatures.

U.S. scientists have said that this year has been the hottest on record across the world.

Congressional inaction would cast a pall on global talks that have lost momentum since December's summit in Copenhagen.

"This must not stand, it will hurt us, hurt our children and hurt the regard the world has for U.S. leadership," said David Hawkins, the director of climate programs at the Natural Resources Defense Council activist group.

China, which led a bloc of developing-world countries opposed to mandatory carbon limits, might impose more pollution controls on its economy than the United States. China, the world's

biggest greenhouse gas emitter, plans to launch a carbon trading market during the next five years to boost energy efficiency, according to the China Daily newspaper.

Obama has pushed the U.S. Environmental Protection Agency to take unilateral action if Congress fails to pass a bill. The EPA has begun issuing rules to cut emissions from cars and requiring power plants to have permits to emit carbon dioxide.

Democratic Senator John Kerry and independent Senator Joe Lieberman have crafted a bill that would impose carbon caps on utilities. Previous legislation also would have put caps on emissions from manufacturers and transportation.

Some power companies such as Duke Energy want a climate bill so they can move ahead with billions of dollars in investments in new low-carbon power plants.

Lieberman said the Senate could take up their bill in September. "I think there's going to be a lot of interest in doing something broader when it comes to energy independence than just oil spill," he said.

Kerry was upbeat that a climate bill with carbon caps would eventually pass.

"This is not going to die, absolutely rest assured this is not going away," Kerry told visitors to Congress.

"As long as I am in the Senate and I've got another four years ... we are going to keep pounding away on this."

He said he met earlier on Thursday with one Republican, who has "indicated willingness" to work toward greater coalition in the Senate for a larger climate change bill.

Kerry Says Democrats May Take Broad Climate Bill After Election – *Bloomberg* – 7/23/10

By Lisa Lerer and Viola Gienger

July 23 (Bloomberg) -- U.S. Senator John Kerry said Democrats may take up his comprehensive climate-change bill in a lame-duck session after the November elections, while calling on President Barack Obama to escalate his advocacy for the measure.

Senate Majority Leader Harry Reid yesterday introduced a more limited energy bill that doesn't include a cap on greenhouse gas emissions, citing the lack of support for a broader bill.

The bigger measure "is not dead," Kerry, a Massachusetts Democrat, said in an interview on Bloomberg Television's "Political Capital With Al Hunt" airing this weekend. "If it is after the election, it may well be that some members are free and liberated and feeling that they can take a risk or do something."

Kerry, who co-authored the Senate climate measure with Senator Joe Lieberman, a Connecticut independent, urged Obama to lobby for the bill in private meetings with undecided senators and at public events.

"People have to know it really counts," said Kerry, 66.

On the war in Afghanistan, Kerry, the chairman of the Senate Foreign Relations Committee, said President Hamid Karzai's government must make more progress toward building a stable government.

“I am disappointed that not enough of the reform agenda has been implemented in Afghanistan,” said Kerry, who has close relations with Karzai and has been more supportive of the Afghan leader than some other U.S. officials. “And there is too much corruption within the government itself at various levels.”

Afghan Troops

Last year, Kerry won praise from Obama for helping prod Karzai to break a presidential election impasse. He said the U.S. also needs to increase the number of Afghan fighters participating in military operations and do a better job of establishing civilian structures to take over government functions in Afghanistan.

The current policy, Kerry said, isn’t “fine-tuned enough.”

On climate legislation, Kerry said Democrats have “well over 50” votes for a cap-and-trade program that requires power plants to buy and sell carbon-dioxide pollution rights. At least five Democrats from rural and Rust Belt states say they won’t support the plan and no Republican supports the bill, which will need 60 votes to pass the Senate.

“There is basically sort of a political shutdown going on here in Washington,” Kerry said.

Scaled-Back Legislation

The scaled-back legislation introduced by Reid mandates new offshore oil and gas drilling regulations, energy-efficiency programs and incentives for natural-gas-fueled vehicles. The bill will also increase the \$75 million liability cap for companies that cause oil spills.

Legislation passed by the Senate Environment and Public Works Committee in June would eliminate the cap entirely, while Republican proposals would double the current cap to \$150 million or expose a company to damages equal to the last four quarters of its profits.

Kerry said the Senate is more likely to raise the cap than eliminate it entirely.

“We ought to find out what the political market here and the Senate will bear and get to a realistic figure,” he said.

In his foreign-affairs role, Kerry is shepherding Senate ratification of Obama’s treaty with Russia to further cut each nation’s nuclear arsenal, an agreement that has drawn opposition from Republicans.

The senator said he would help Republicans get some of the assurances they’re looking for from the administration, such as pledges on adequately maintaining the country’s existing stockpile.

“I believe we will pass it this year,” Kerry said.

BLOG/ONLINE COVERAGE

Cap and Trade is Dead (Really, Truly, I'm Not Kidding). Who's to Blame? – *Time Blog* – 7/22/10

By Bryan Walsh

The headline has been written countless times, but this time it is true: carbon cap-and-trade of any sort will not come out of this Congress—and perhaps it never will. Instead of comprehensive economy-wide carbon cap that Senator John Kerry had urged—and that the House had already passed a year ago—or even the compromise utility-only cap bill that had been suggested as an alternative, Senate Majority Leader Harry Reid announced today that he would move forward next week on a bill that only deals with the BP oil spill and a few other low-profile energy policies. The reason was simple, according to Reid—politics:

It's easy to count to 60. I could do it by the time I was in eighth grade. My point is this, we know where we are. We know we don't have the votes [for a bill capping emissions]. This is a step forward.

That Reid couldn't get a filibuster-beating super-majority to pass climate and energy legislation surely seems to be the case—after all, the Majority Leader can indeed count. But the idea that such an unambitious bill—even after the shock of the oil spill—represents anything but treading water is a joke. According to Democratic Senator Jeff Bingaman of New Mexico—who had pushed an earlier compromise energy bill out of his committee—Reid's bill won't include a carbon cap or even a renewable energy standard, which would require utilities to source a certain percentage of their electricity from clean sources. Instead it's likely to contain energy efficiency upgrades for home appliances and measures to push the nation's trucking fleet to use cleaner natural gas. (Something the Texas oil-turned-wind tycoon T. Boone Pickens has been advocating for years, as Bradford Plumer of the *New Republic* points out—so at least a Texas billionaire who made his money off petroleum is having a good day.) It's possible that the Democrats will be able to put some form of a carbon cap back into the bill after the August recess or even during the lame-duck session following the November elections—but that has about a snowball's chance in midtown Manhattan (after global warming) of coming true.

So what happened? How did a Democratic President who came to office talking up climate change and promising a strong carbon cap, plus a Democratic Senate and House of Representatives, plus the late impetus of the oil spill, somehow come away with barely more than nothing? As a stunned environmental community sifts through the wreckage, they'll find no shortage of perpetrators.

-The filibuster and the Republicans: It should go without saying at this point, but the increasing reliance on the filibuster has made the U.S. Senate a deeply, deeply dysfunctional body—and the Republicans, who were nearly lockstep against any climate legislation with a cap, were only too happy to abuse it. It was always going to be difficult to get any kind of carbon cap passed in the Senate. (It took a heroic effort from Speaker Nancy Pelosi to force a cap-and-trade bill through the House last year—and the vulnerable Democrats who voted for it may get BTUed this November in response.) An accelerated transition to a cleaner economy—and the accelerated phasing out of dirty fossil fuels—is going to disproportionately hit southern and midwestern states that depend disproportionately on coal. The Senate by its very composition gives disproportionate power to rural states in the midwest and the south—so getting 51 votes was going to be tough, even with 59 Democrats in the Senate. The fact that all bills must now get 60 votes to pass thanks to the filibuster—which wasn't always the case—meant that any climate and energy bill needed at least a few Republicans.

But the Republicans never even played a constructive role in the shaping of the bill, with the exception of Senator Lindsey Graham—who abruptly dropped out of his alliance with John Kerry and Joseph Lieberman shortly before their cap-and-trade bill was due to come out, ostensibly because of his annoyance over immigration reform. Otherwise the Republican party seemed happy to ignore one of the most important long-term threats facing the human race, pleased to follow the example of colleagues like Senator James Inhofe, he of the "climate change is the greatest hoax ever perpetrated on the American people" quote. There was plenty of room for debate over how we should choose to address climate change and energy, and conservative ideas would have been helpful—but nothing substantial was forthcoming.

-The Democrats: While it's true that the filibuster presents a high barrier for any climate and energy action, the reality is that Reid may have struggled to get even 51 votes for a stronger bill, because a number of Democrats were almost as obstructionist as their Republican colleagues. Coal state Democrats like Sen. John D. Rockefeller IV of West Virginia and George Voinovic of Indiana were almost certainly never going to vote for a bill with a carbon cap, knowing what it might do to the coal industry. Farm state Democrats like Blanche Lincoln of Arkansas and Ben Nelson of Nebraska weren't any better.

The truth is there weren't enough Democrats willing to support a carbon cap, let alone Republicans. Michael Shellenberger of the Breakthrough Institute—a think tank that is highly skeptical of cap and trade—told me that his group spoke to environmental lobbyists back in 2008 who were working on a cap-and-trade bill in the Senate then, the Warner-Lieberman bill. Though it never went to a full vote, Shellenberger believes that a carbon cap bill in 2008 would have received no more than 35 votes. Now there are more Democrats in the Senate than there were then, and political realities change with a Democratic president in the White House—but that's still a huge gap.

-The White House: It's all Obama's fault—that's the message that many more liberal greens are coalescing around. For all his talk in the campaign about climate change and the need to get a price on carbon (during the campaign he called to reduce carbon emissions 80% by 2050), Obama seemed generally detached from the Congressional fight over climate legislation. Andrew Revkin at Dot Earth noted that Obama never gave a substantial speech focused on the need for the U.S. to face up to the long-terms of climate change and truly take energy innovation seriously; never brought climate researchers to speak to his White House staff; never challenged conservatives like Inhofe who willfully lied on climate issues. It's true he took office in the teeth of the worst recession in modern memory—which by itself might have killed any ambitious legislation on climate—and has juggled countless crises, but this never seemed to be a priority for him, or his top political staff at the White House. After nominating the greenest Presidential cabinet ever—including Nobel Prize-winning Energy Secretary Steven Chu—Obama seemed to think his work was done. Characteristically, when Obama gave his first Oval Office speech last month, on the oil spill and energy, he didn't even mention a carbon cap.

Tim Dickinson, in a just published piece in Rolling Stone, lays out the case against Obama:

The failure to confront global warming – central not only to Obama's presidency but to the planet itself – is not the Senate's alone. Rather than press forward with a climate bill in the Senate last summer, after the House had passed landmark legislation to curb carbon pollution, the administration repeated many of the same mistakes it made in pushing for health care reform. It refused to lay out its own plan, allowing the Senate to bicker endlessly over the details. It pursued a "stealth strategy" of backroom negotiations, supporting huge new subsidies to win over big polluters. It allowed opponents to use scare phrases like "cap and tax" to hijack public debate. And most galling of all, it has failed to use the gravest environmental disaster in the nation's history to push through a climate bill – to argue that fossil-fuel polluters should pay for the damage they are doing to the atmosphere, just as BP will be forced to pay for the damage it has done to the Gulf.

-Environmentalists: Over the past few years, most environmental groups have made climate change their number one priority. And within that—led by wonky organizations like the Natural Resources Defense Council and especially the Environmental Defense Fund (EDF)—shooting for an economy-wide carbon cap was the number one tool. A price on carbon was the only way, the market-oriented way, to reduce emissions and fight climate change. Put a cap on carbon and businesses would respond, changing the way they used energy, funding innovative new cleantech startups and ushering in an era of green jobs. That was the great green pitch—trust me, I've been getting it almost every day, in various ways, for the past two years.

That pitch failed. It failed because the filibuster makes legislation nearly impossible to pass. It failed because Republicans don't take climate change seriously and conservative Democrats won't put themselves on the line. It failed because a busy White House never made it a priority. But at the end of the day, the pitch failed—after November it's hard to imagine we'll soon get back to a more positive political atmosphere for climate action—and it might be time for a new one. When a pitcher can't close the game—I know this, I've been watching Brad Lidge for two and a half years—you give him the hook. "It's hard to see cap-and-trade coming back anytime within the next decade," Shellenberger told me.

I'll have more in the days ahead about alternative ways to deal with energy and climate change—most of which focus on vastly increasing research money for cleantech innovation, focusing public purchases on renewable energy and improving energy efficiency standards. Hopefully that angle would be less politically divisive and easier to pass—though in this toxic political climate, who can be sure? But we need to try something else. We just lived through the hottest month on record, on track for the hottest year ever. Climate change is frightening. As Al Gore said in a statement today: "The truth about the climate crisis—inconvenient as ever—must be faced." He's still right.

Update: As many people pointed out to me, George Voinovich is a Republican. I had meant to write Evan Bayh—got my Midwestern senators mixed. Many apologies.

If Not Now For Climate Change, When? – *Salon.com* – 7/23/10

By Alyssa Battistoni

It's official: the climate bill is dead for this Senate session, and almost certainly till after the 2012 presidential elections. While the nation was engrossed in two "scandals" drummed up by conservative media hacks, the ever-weakening bill finally succumbed to the pressures of a bad economy, recalcitrant Republicans, and Senate procedural inanity, leaving those concerned with the fate of the planet humanity to place their faith in a laughably minimal energy package and the bureaucratic wrangling of the EPA

American politicians have been talking about energy reform for decades -- though Jimmy Carter is perhaps most (in)famous for exhorting Americans to carpool and turn down their thermostats, every president going back to Nixon has called for energy independence. So in some ways, it's no surprise that an actual plan for said energy independence has been kicked down the road yet again. And in all likelihood, the bill's been doomed since last June, when Democratic leadership elected to prioritize healthcare rather than push forward with a Senate climate bill to complement the moderately tough cap-and-trade bill passed by the House.

Still, it's hard to shake the feeling that the combination of a Democratic president, large Democratic majority in Congress, and a fossil fueled ecological catastrophe represented the best shot at passing meaningful climate legislation for perhaps years to come. Yet in a still-faltering economy, with a legislative climate in which it takes two months to pass a fundamentally uncontroversial extension of unemployment benefits, even a moderately ambitious change to our national energy policy stood about as much chance of passing as a snowflake in Arizona circa 2050.

And it's almost as hard to overstate how absurd it is that a 60-vote super-majority is the de facto requirement for the Senate to pass any legislation whatsoever. It's nearly enough to make you think the Democrats' policy goals would be better served if Republicans controlled Congress and the White House -- if you could think of any Republicans who would lead the push even for climate legislation they could take credit for.

It didn't help that Obama has remained largely silent on the matter, save for a few predictable comments about energy independence. But so long as Republicans are determined to block anything and everything that comes through the Senate, they can continue to abuse the rules of

the Senate to do so. The current modus operandi of Senate Republicans is delay, delay, delay, which is bad enough when you're talking about the restoration of unemployment benefits to families in need, but almost criminally negligent when it comes to climate, where each day of inaction decreases our ability to prevent a catastrophic scenario. So owing to Senate dysfunction, we're stuck in a situation in which the passage of legislation that is itself extremely politically challenging depends on perhaps the most difficult reform of all -- that of the political institution itself.

Meanwhile, we'll continue to go about our business as usual, soothing any occasional discomfort with our reliance on fossil fuels by reassuring ourselves that technology will swoop in and save the day -- that with some modicum of research funding, we'll discover a miraculous new energy source that will power our lavish lifestyles indefinitely while reducing carbon emissions, creating thousands of new jobs, and making children around the world hold hands and sing.

At this point, though, we're not even going to allocate any funding towards such research. Not only is the bill that will go before the Senate no longer a climate bill, it's hardly even an energy bill. It will contain oil spill response measures, including new restrictions on offshore drilling, and allocate \$5 billion each for energy-efficient homes; the Land and Water Conservation Fund, which simply preserves recreational parkland; and the development of a fleet of natural gas-powered vehicles, which is essentially pork for the likes of T. Boone Pickens. Forget about cap-and-trade -- there aren't even any energy efficiency standards in this one. Environmental groups might be able to successfully push for efficiency standards in another bill before the end of the year, but cap-and-trade is off the table at least until after the midterms and probably until 2013.

So what happens after the Senate presumably passes this unobjectionable package? The EPA has declared that it will begin to regulate carbon emissions using its existing powers to regulate harmful substances under the Clean Air Act (powers that 47 senators voted to strip on the basis that such regulation is Congress's business, never mind that Congress has shown no interest in enacting it). That is, it will attempt to regulate emissions -- conservative groups like the Competitive Enterprise Institute and a few states, including Texas and Virginia, are already lining up to challenge the EPA's authority to do so in court, threatening to tie up the process in litigation for years.

Even if regulation clears the legal hurdles, though, what can we realistically expect the EPA to do, given the inherent constraints of the agency and bureaucratic systems in general? The EPA has the power to enact regulations with real teeth, to be sure, but they will doubtless be more rigid, and consequently more difficult to implement, than a cap-and-trade system would have been -- it's entirely possible that after a few months of bureaucratic regulation, coal and utility

lobbyists will be begging legislators to enact cap-and-trade. EPA regulations could also impose new efficiency standards for yet under-addressed areas like electricity generation, which has significant emissions savings potential.

All of these remaining measures, however, are suboptimal solutions to our energy problem. It's unlikely that any, or all, of them will have enough impact to avert climate catastrophe. Ironically, Harry Reid declared yesterday afternoon that the energy bill would "put forth measures to prevent a disaster like [the BP oil spill] from ever happening again," even as he announced that the Senate would not be taking meaningful measures to prevent a much greater, even more foreseeable disaster from occurring.

Time after time, we ignore the warning signs, then proclaim to be shocked -- shocked! -- at the disasters that result. Upon surveying the devastation, we get angry and demand that someone pay -- yet when the culprit is us, as it undoubtedly is in the case of carbon emissions, we think it overreaching to assess the costs and figure out a way to pay them.

Meanwhile, we continue to lag behind the rest of the world in adopting a sane, forward-looking climate policy. As Reid explained he didn't have the sixty votes to pass a climate bill, China, our favorite environmental scapegoat, announced a plan to put a price on carbon within the next five years. Unfortunately for them, our myopic attitudes towards the environment and our dysfunctional institutions may spell their doom as well as our own. So in ten or twenty years when Bangladeshis find their homes under water, or farmers in Niger watch their crops shrivel due to drought, we can just explain to them that a long time ago, some people in Massachusetts elected a guy with a pickup truck and the most prestigious legislative body in the world's most powerful nation suddenly ceased to function. I'm sure they'll understand.

Plan For America – *The Market Oracle* – 7/23/10

By Jim Quinn

I'm sorry to be the bearer of bad news. There are no easy solutions. There are only painful, more painful, and really, really painful solutions. Both mainstream corrupted political parties have had the chance to put the country back on a prudent fiscal path. They have both failed miserably. One party will spend the country into oblivion and the other country will try to democratize the world with their military machine. There are no fresh ideas from either party. There are the same old stale ideas and rhetoric.

I've been waiting for someone to distinguish themselves as a straightforward leader who will level with the American people and tell them the TRUTH. There is only one totally truthful politician in Washington DC. His name is Ron Paul. He is trapped in a Republican Party run by neo-con warmongers. Chris Christie, the governor of NJ, has the guts and demeanor to satisfy the requirements of a new leader, but the hacks who run the party will not allow him to become the face of the party. Paul Ryan, Congressman from Wisconsin, has the brains and ideas to help save the country. The party hacks will pretend to adopt his ideas to get elected in 2012 and then go back to the same old policies.

Both parties are captured by corporate lobbyists, the military industrial complex and Wall Street. Lobbyists spend \$40 billion per year "convincing" politicians that their ideas should be implemented. Politicians DO NOT represent the people. They represent those who give them the most money. Radical earth shattering change is needed to save this country. Incremental steps won't work. We need a leader wielding a sledgehammer.

The ONLY way to save the country from financial collapse is to take on the largest expenditures. They are:

- \$895 billion for Military spending
- \$730 billion for Social Security
- \$491 billion for Medicare
- \$297 billion for Medicaid

These 4 areas total \$2.4 trillion per year out of \$3.8 trillion. This is 63% of all Federal spending. A real leader would tackle these areas. A 3rd party candidate with a strong backbone would propose the following ideas:

•When George Bush took office in 2000 the annual Defense (funny name) Budget was \$380 billion. Since that date CPI has increased 25%. On an inflation adjusted basis, the Defense Budget should be \$475 billion today. Essentially we are paying an additional \$420 billion PER YEAR to fight the phantom WAR ON TERROR. This is nothing but a fraud perpetrated by the neo-cons and now the neo-liberals. My plan is to declare victory in the War on Terror. No one knows what victory means anyway. Withdraw ALL the troops from the Middle East, Germany, Japan and Korea. Let them blow themselves up if they want. Not our problem. Germany, Korea and Japan can pay for their own defense. Tell the Pentagon they have \$475 billion to allocate and not a dime more for the next 10 years. SAVINGS = \$420 billion

•John Hussman has a fantastic idea regarding Social Security. This idea would benefit the working class and stick it to the rich. "Drop the rate substantially, but include all income wage and non-wage. Three-quarters of Americans pay more in payroll taxes than in income taxes. By reducing the wedge between the hourly amount earned by employees and the hourly cost paid by employers, this strategy would create immediate incentives for employment. Moreover, it would raise more revenue because at present, even Warren Buffett only pays Social Security taxes on the first \$106,800 of income." This idea would be an immediate boost to the economy as the average worker would take home more pay. Revenue from Social Security would increase by \$200 billion.

•On the cost side of Social Security, life expectancy, amount of wealth, and market incentives would need to be introduced. Anyone over 55 years old would get just what they were promised. Workers from 30 years old to 55 years old would see the age they were entitled to collect SS rise from 67 to 76 depending on their current age. Anyone whose net worth is in the top 5% of all Americans would not receive SS when they retire. Workers just entering the workforce would be given the option of a significantly scaled down benefit or a private account to be managed by them. These steps would make the system viable forever. It would not cut costs in the near term.

•Paul Ryan's common sense approach to Medicare would be: For those under 55 as they become Medicare-eligible it creates a Medicare payment, initially averaging \$11,000, to be used to purchase a Medicare certified plan. The payment is adjusted to reflect medical inflation, and pegged to income, with low-income individuals receiving greater support. The plan also provides risk adjustment, so those with greater medical needs receive a higher payment. The proposal also fully funds Medical Savings Accounts (MSAs) for low-income beneficiaries, while continuing to allow all beneficiaries, regardless of income, to set up tax-free MSAs. Enacted together, these reforms will help keep Medicare solvent for generations to come. This proposal, along with eliminating the fraud within this system would save at least \$200 billion per year.

- Paul Ryan's healthcare plan would reduce costs, keep the high quality, and keep it out of the government's clutches:It provides a refundable tax credit\$2,300 for individuals and \$5,700 for families to purchase coverage (from another state if they so choose) and keep it with them if they move or change jobs. It establishes transparency in health-care price and quality data, so this critical information is readily available before someone needs health services. State-based high risk pools will make affordable care available to those with pre-existing conditions. In addition to the tax credit, Medicaid will provide supplemental payments to low-income recipients so they too can obtain the health coverage of their choice and no longer be consigned to the stigmatized, sclerotic care that Medicaid has come to represent. This plan would save \$200 billion per year.

- There are two options to simplify the tax system. Americans spend \$11 trillion per year. They pay \$1.1 trillion in income taxes per year. The tax code is 17,000 pages long. By scrapping the entire income tax and replacing it with a 10% VAT, the country would get the same revenue with individuals being freed from the tax code. The other option is essentially a modified flat tax as proposed by Paul Ryan:This highly simplified code fits on a postcard. It has just two rates: 10% on income up to \$100,000 for joint filers and \$50,000 for single filers, and 25% on taxable income above these amounts. It also includes a generous standard deduction and personal exemption (totaling \$39,000 for a family of four), and no tax loopholes, deductions, credits or exclusions (except the health-care tax credit). The proposal eliminates the alternative minimum tax. It promotes saving by eliminating taxes on interest, capital gains, and dividends. It eliminates the death tax. It replaces the corporate income taxcurrently the second highest in the industrialized worldwith a business consumption tax of 8.5%. This new rate is roughly half the average in the industrialized world and will put American companies and workers in a stronger position to compete in a global economy.

- The Department of Education and the Department of Energy were both created by Jimmy Carter in 1979. Since this time student test scores have plummeted, the cost per student has skyrocketed, and we graduate more morons into society than ever. Since this time, our dependence on foreign oil has doubled, no nuclear power plants have been built, no refineries have been built and peak oil has been completely ignored. For this outstanding performance, we spend \$78 billion per year for the Dept of Education and \$36 billion per year for the Dept of Energy. If we survived from 1789 until 1979 without these departments, we can make do without them again. They are miserable failures and must be scrapped. Annual Savings = \$114 billion.

- Every department and every program and every government worker would be required to take a 10% reduction across the board. Annual savings = \$100 billion.

- Legalize marijuana for adults and then tax the shit out of it like tobacco and alcohol. Unknown revenue increase. Reduction in prison costs for minor drug offenses.

By my estimation we'd be pretty damn close to a balanced budget. It would entail pain and sacrifice to achieve a balanced budget. The pain and sacrifice today would ensure that our children and grandchildren have a tomorrow. Some practical issues to tackle in order to fix the culture of Washington DC would be:

- Term limits of 12 years for all Representatives and Senators. Politics is not a career. They are serving the people and then returning home to their chosen profession.

- Lobbying and lobbyists would be outlawed. No corporation, individual, or union could buy access to politicians.

- Political Campaigns would be publicly funded and last for only 6 weeks before an election.

Regarding immigration, all illegal immigration would be stopped. The fence/wall that exists in California would be extended through Texas. Troops withdrawn from Iraq, Afghanistan, Germany, Korea, and Japan would be available to enforce our closed border. The children of illegal immigrants would no longer be given citizenship status for being born here. We should strongly encourage legal immigration, especially of professional well educated immigrants. John Mauldin has a great idea to encourage legal immigration and help the housing market:

- Any immigrant who buys a house in the US would be given a fast track to citizenship of two years, as long as they commit no crimes. This would attract wealthy immigrants. It might also keep the best and brightest graduate students here in this country.

John Hussman had a creative solution to help the housing market. He came up with this idea in October 2008. Of course, the Bush and Obama idiots would never consider such a logical solution:

- Congress can efficiently mute the impact of the mortgage crisis on "Main Street" by allowing a small change in foreclosure law. Specifically, in foreclosure proceedings, judges should have the ability to reduce the amount of principal on a mortgage loan, provided that the original mortgage

lender receives a "Property Appreciation Right" or "PAR" from the homeowner. The PAR would be an obligation to repay the mortgage lender out of future appreciation on the home (including property subsequently purchased, until the obligation was relieved). Payment would occur either when the home was sold, or through an equity-extraction refinancing at some later date. In that way, homeowners would surrender some amount of future appreciation in return for an equivalent reduction in the mortgage principal. This would result in an immediate lowering of mortgage payments, yet the original mortgage lender would still stand to be made whole. To account for time-value, the amount of the PAR obligation could be allowed to increase at a small rate of interest. The homeowner would be able to keep the house. Importantly, there would be no need to continue major write-downs on mortgage securities, since only the character of the payments, not the value of the mortgage obligation itself, would change.

The Federal Reserve must be audited. It must be a complete audit with nothing off-limits done by the GAO. When the audit reveals that the Federal Reserve has committed crimes against the citizens of the United States, it should be disbanded. The country grew tremendously from 1789 until 1913 without a Federal Reserve. The Treasury can issue the money of the U.S. The money should be backed by hard assets. It would require a basket of hard assets including gold, silver, uranium, oil, natural gas, and agricultural products.

We have reached Peak cheap oil. Ignoring it for a moment longer will ensure disaster for our suburban sprawl society. The government needs to get out of the way and let companies build nuclear reactors, oil refineries, and LNG facilities. The Pickens Plan which would utilize wind farms to free up natural gas to power our truck fleets should be given serious consideration. If geothermal, hydro, solar, and wind make sense from an ROI basis, it should be encouraged. Government needs to get out of the way of entrepreneurship. An expansion of electrified rail transportation is one area that government could actually provide leadership.

The ideologues in the Republican Party and Democratic Party are not worried about a 3rd Party. They say that there is no way a 3rd Party could create an infrastructure to win in 2012. What they fail to realize is that people are sick and tired of their two party games. The names change, but the game remains the same. Both parties have failed the American people. The American people have failed. It is time to make a stand, before it is too late. 2012 is our last chance.

I believe that Ron Paul and his Campaign For Liberty should break away from the Republican Party and either form a new 3rd Party or just take over the existing Constitution Party structure. The name is right. The ideas are consistent. I would vote for Ron Paul, but he is 72 years old and he may be too diplomatic. We need a bomb thrower. I think we need Chris Christie to take on Washington DC the way he has taken on the Unions and the Democrats in NJ. A Constitution

Party ticket of Chris Christie for President and Paul Ryan as VP would be a winnable option. This would be revolutionary. It would require these two men to abandon the corrupt Republican Party and do what is best for the country. Party politics is dying rapidly due to incompetence and corruption. It is time to start over.

If we keep these wise words of our founding fathers in our minds at all times, we could turn this country around before it is too late.

BROADCAST COVERAGE

1. Mad Money

CNBC, National | DMA: 0

07/22/2010, 06:00 PM - 07:00 PM

[EC] 00:28:36 Nucor is the best way to play the steel markets because they use scrap steel rather than that expensive iron ore and they're committed to you. A report this morning made me feel a little more confident, which I didn't feel that confident in a conference call which took place at 2:00 today. Slightly lower than expected revenues that nevertheless rose 69.2% from the year before. Nucor's average was up 20% from the previous year. Plus nucor's total shipment, 50% per year. Balance sheet, 1.41 Billion in cash. At the same time, though, this is what I meant about the comm school. Talked about a slow growth in product lines. While it may take a couple quarters, I still think it's the best way to make a long term recovery. They also give us a read on a global economy. He's been a terrific crusader for job creation in the United States. Dan, for the first time in a long time, I heard you upbeat about America in a conferen call. The problem was it was South America and Latin America, Costa Rica, Mexico, Brazil. Are these the Americas we should be looking at, because our America in the call didn't sound that good. Don't confuse realism with a lack of optimism about this country and its people. And about American manufacturers and about nucor. So you're actually --I mean, look, I know that in the call you have a lot of concerns, but the numbers say that things are better. Listen, Nucor's track record of speaking realistically about the markets we're in, okay, is very good. We're batting near 1,000 as opposed to some of the other folks out there that try to be overly optimistic when she should be more realisti but that has never stopped us from performing as we have over the last several quarters, for this quarter, you talked about us over last year, but we were up about 200% from first quarter. And we had a very strong increase in profit margins. Now, 29 cents a share compared to \$6 a share, right? That's the world we're in, correct? Correct. Yes, there is always mixed feelings and thoughts and emotions about, yes, our team is doing a great job, we are doing better than most everybody else in this lousy market, but it's still a lousy market, andou cannot be underrealistic about that. You do not want to create false expectations. But the facts speak for themselves with respect to nucor, even in today's world. If you took a look at our stock back in 2000, 2001, it was about \$7 a share. So we're still up significantly, we'll continue to pay dividend. Our cash position is strong, we're doing well, we're improving our company, we're adding to our growth platform, all the things about nucor in the long and medium term makes growth a reality. In little the tradition country, it's probably better everywhere else. We're doing it wrong now, aren't we? Yeah, we're doing it wrong. There are 26 million of them who would like to be working full-time or would like to have jobs or wouldn't want to be thrown out of the work force. It's a real hardship. And yet our leaders are not doing the right things to create the jobs, so, listen, when you're a leader in the industry, it's your responsibility to speak up. When you're a leader in the economy, it's your responsibility to speak up whether you're on the political side or the business side. We like to make money and we're going to take a lead in letting people

know exactly what's happening. we recently had an op ed piece in Politico with **T Boone Pickens** talking about energy . It was very well received we're about educating,... 00:36:34

Keywords: TZ; Executive Decision: ActionAlertsPlus.com; **T. Boone Pickens**; Journals; Times; US Today;

Visuals: Nucor logo; Nucor, NUE; Politico - No Need to End Offshore Drilling;

Speakers: Dan DiMicco, Nucor Chairman and CEO;

Audience: 375,270 **Spot Cost:** \$3,612

2. CSPAN-3 Schedule

CSPAN 3, National | DMA: 0

07/22/2010, 02:00 PM - 04:00 PM

[CC] 00:32:53 (Sen. Harry Reid is speaking)The third one, home/starr, we heard from a number of republicans they like the program. Personally talked to republicans. The answers yes. I would not be moving on this if I did not think that. Are you committed to taking this up in September? I'm committed to taking this up now. We are going to --This is going to move to the floor. Make sure we all understand this is not the only **energy** legislation we are going to do. This is what we can do now. We are running out of time because all of the delays we had on the senate floor over the last year. We are going to continue to work on **energy** legislation. Think about this just briefly. The one thing that Gore and **Pickens** agreed, we need a bridge to move to renewable **energy**. They agreed on batteries and **natural gas**. Batteries, technology going on. The president did a great job in what he did with the stimulus bill in reactivating battery technology in our country. These trucks, there's 6 million 18 wheelers around America driving around. There are -- Life span of a truck isn't very long. During the good times, three years ago or so, one major trucking company, was buying 175 new 18-wheel trucks every week. This legislation allows the conversion of those trucks from diesel fuel to natural gas. This will lessen our dependence on foreign oil....00:35:50

Audience: N/A **Spot Cost:** N/A