



Our mission

The American Coalition for Clean Coal Electricity (ACCCE) advocates public policies that advance environmental improvement, economic prosperity, and energy security. ACCCE believes that the robust utilization of coal – America’s most abundant energy resource – is essential to providing affordable, reliable electricity for millions of U.S. consumers and a growing domestic economy. Further, ACCCE is committed to continued and enhanced U.S. leadership in developing and deploying new, advanced clean coal technologies that protect and improve the environment.

U.S. climate strategy

ACCCE supports an integrated U.S. climate strategy that:

- Promotes rapid and widespread research, development, deployment and commercialization of innovative, advanced clean coal and other technologies—including carbon capture, transportation, safe storage, and terrestrial carbon sequestration—that are vital to the success of prudent climate change policies.
- Recognizes any policy addressing climate change is inextricably linked to broader U.S. energy security, economic development, and environmental interests and goals.
- Acknowledges climate change is a global issue requiring leadership by the United States and actions by all nations in a spirit of shared responsibility to devise and carry out practical, cost-effective measures by government, business, and citizens to slow, stop, and then reverse the growth of manmade greenhouse gas emissions.
- Values coal’s vital role in America’s energy future and recognizes the importance of energy efficiency and conservation, as well as a diverse suite of other domestic energy sources to generate electricity including nuclear, natural gas, and renewables.

Federal carbon management legislation

In order to address climate change concerns as well as to meet our shared national economic, energy, and environmental goals and interests, ACCCE supports timely adoption of federal carbon management legislation (and recognizes that a mandatory cap-and-trade program is one option for such legislation) so long as the principles set out below are appropriately addressed.

Accordingly, such federal legislation must:

- **Guarantee, through public-private sector partnerships, aggressive, near- and long-term investments in new, advanced technologies that 1) avoid or reduce CO₂ emissions; 2) capture, transport, and safely store CO₂; and 3) use CO₂ in beneficial ways, whenever practical.**

Innovative new technologies will make it possible to slow, stop, and then reverse the growth of manmade greenhouse gas emissions, just as they have enabled the power generation sector to meet a growing demand for electricity with dramatically fewer emissions of NO_x, SO₂, and other pollutants. Sufficient, stable, and secure funding and other appropriate measures are necessary to bring these technologies into the marketplace, along with reasonable timeframes for their deployment. In any cap-and-trade program that might be enacted, allowances should provide a source of funding that is necessary to accelerate the research, development, demonstration, and deployment of carbon storage technologies.

- **Establish a legal, regulatory and long-term liability framework to safely store CO₂.**

For carbon capture and storage technology (CCS) to become commercially deployable as soon as possible, America will need an appropriate legal, regulatory, and long-term liability framework — coupled with sufficient, stable, and secure research, development, demonstration, and deployment funding. Widespread commercial deployment of CCS technology is essential to efforts to stop and then reverse the growth of manmade greenhouse gas emissions. For purposes of capture and safe storage, CO₂ must be treated as a commodity, not a waste. No particular capture, transportation technology, or storage approach should be favored over another. In order for certain carbon-intensive industries to make use of carbon capture and safe storage technologies, the federal government must limit those industries' liability and create regulatory certainty.

- **Promote the deployment to other nations of advanced U.S.-developed technologies to avoid, reduce, capture, transport, and safely store CO₂.**

Federal legislation should require the Department of State (in consultation with the Department of Energy and Department of Commerce) to carry out international technology transfer targeted toward key countries and specific technologies. Components of a strategy for international technology deployment could include: loan guarantees and other financial mechanisms, cost sharing for demonstration projects, joint research and development initiatives, and elimination of financing and market barriers. Such legislation should also authorize appropriate funds to implement the technology transfer program.

- **Ensure that any mandatory requirements (cap levels, compliance deadlines, etc.) be reasonable and recognize that**

many of the technologies needed to reduce manmade greenhouse gas emissions from new or existing fossil-fueled generating stations are not yet commercially available.

Prior to the commercial availability of full-scale carbon capture and storage technologies, policies should encourage near-term investments in conservation, enhanced energy efficiency (both end-use and generating efficiency), terrestrial carbon sequestration and other offsets, higher efficiency coal-fueled electricity generation, and the deployment of progressively higher carbon capture and storage technologies. Emission reduction legislation must provide sufficient time between enactment and implementation to complete rulemakings and take other steps necessary to maintain a reliable supply of electricity, allow compliance with new requirements, and avoid switching to more expensive fuels.

- **Protect American consumers and the U.S. economy through effective cost-containment measures. For example, if a cap-and-trade program were to be implemented, it would be essential to have fair and equitable allocation of emission allowances, as well as to establish a ceiling price for carbon that is certain and reasonable.**

The cost of any carbon management program to American citizens may well be hundreds of billions or even trillions of dollars over the long run. Therefore, ACCCE believes it is essential that effective cost-containment measures be a centerpiece of any federal carbon management legislation in order to protect the American people from unnecessarily high and volatile energy costs, preserve American jobs (especially in energy-intensive industries), and promote greater investment in new, advanced technologies.

Accordingly, emissions allowances provided should be allocated without cost to the greatest extent possible. Allowances allocated to the electric power sector should be used to protect customers; keep merchant coal generators financially viable, thereby helping utility customers; and maintain the viability of existing and new coal-fueled generation in order to avoid relying on higher cost fuels.

To the extent that emissions allowances are available for purchase, setting a certain, reasonable ceiling price for allowances is a vital step to establish and maintain a stable allowance trading market and to ensure more stability in energy prices, thereby protecting American consumers and businesses from unreasonably high costs as our nation adjusts to carbon constraints. Additionally, ACCCE supports other effective, long-term cost containment measures, including, but not limited to, banking and borrowing allowances, and multi-year compliance periods.

As a means of promoting the siting of new power plants needed to meet the growing demand for electricity, some proportion of allowances should be set aside for new emitters with compliance obligations.

- **Allow broad use of verifiable actions to offset manmade greenhouse gas emissions.**

Use of verifiable offsets (from domestic or international action) should be unlimited because they help achieve cost-effective reductions in manmade greenhouse gas emissions. Offsets should not reduce emissions allowance pools or cap levels.

- **Afford full credit for verifiable early actions that avoid, reduce, or capture and store manmade greenhouse gases.**

Programs such as terrestrial carbon sequestration, conservation, and energy efficiency are important domestic and international tools to reduce the carbon footprint of greenhouse gas emitters. Where reasonable efforts have been made to account for and to verify tons of manmade greenhouse gases reduced, avoided or sequestered, full credit for early reductions should be afforded under any cap-and-trade program. In this regard, an appropriate baseline period must be established and, wherever possible, verification should take place under existing programs, including the U.S. Department of Energy's 1605(b) Program, U.S. EPA's Climate Leaders Program, and other programs, such as the Chicago Climate Exchange and individual state programs. Credit earned as a result of such programs should not reduce emissions allowance pools or cap levels.

- **Avoid a patchwork of conflicting standards or duplicative programs through the adoption of a uniform federal program.**

Congress should preempt the field by adopting a national carbon management program. Therefore, federal agencies, localities, individual states (and groups thereof) cannot impose greenhouse gas mandates that would duplicate or conflict with federal legislation.

- **Encompass economy-wide domestic actions and cover all major manmade greenhouse gases.**

Major "manmade greenhouse gases" that should be covered by federal carbon management legislation include carbon dioxide (CO₂), methane, nitrous oxide, hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).

- **Preserve reliability of the electricity generation, transmission, and distribution system.**

Federal legislation should require the U.S. Department of Energy, North American Electricity Reliability Corporation, regional electricity reliability councils, and the National Association of Regulatory Utility Commissioners to monitor and report within three years after the first compliance deadline, and periodically thereafter, on the effects (including reliability impacts and power plant retirements) that any greenhouse gas control program has on the electricity sector.

- **Promote energy security and reliability by encouraging maximum utilization of domestic resources to generate electricity.**

Federal legislation should direct the U.S. Department of Energy, in cooperation with the U.S. Departments of Defense and Homeland Security, to report on the national security, energy security, and economic implications of climate change policies that result in greater reliance on imported fuels to generate electricity.

- **Maintain America's competitiveness in a global economy.**

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