

## Remarks on Proposed Clear Skies Legislation September 16, 2003

Thank you all. Please be seated. Thanks for coming. The sky is clear—[laughter]—and we intend to keep it that way. I just met with a diverse group of our fellow citizens from the manufacturing sector, from organized labor, the environmental community. I met with Federal, State, and local officials. We had a good discussion about how to protect our environment and grow our economy. These groups don't always get along, but they agreed on this goal: The Nation must take the next bold step and continue to make our air cleaner with the Clear Skies legislation. And that's what we're here to talk about today.

The Clear Skies legislation will continue the great progress we have made against air pollution. Over the past three decades, we've reduced the Nation's air pollution by half. But there is more to do. Clear Skies legislation would further improve the health of our citizens, promote new technologies that would dramatically decrease emissions, help communities meet environmental standards, and help create new jobs for American workers. Congress must act on this initiative.

I appreciate members of my administration who are here to work on this initiative, Secretary Gale Norton of the Department of Interior and Marianne Horinko, who is the Acting Administrator of the EPA. Thank you both for coming.

I'm pleased to see that Senator Jim Inhofe of Oklahoma is here. He's the chairman of the Environment and Public Works Committee. I have spoken to the Senator right up there on the Truman Balcony about this issue. And he's committed to working with us to get a good piece of legislation moving. Mr. Senator, thank you for coming.

I also appreciate Senator Voinovich, who's the chairman of the Clean Air, Climate Change, and Nuclear Safety Sub-

committee, for coming today, great State of Ohio. Thank you for coming, Senator.

I see my good friend Joe Barton from Texas who's here, the chairman. Mr. Chairman, we're glad you're here, the chairman of the Energy and Air Quality Subcommittee. I appreciate your interest in this topic. It's an important subject for America.

I want to thank Charlie Norwood, Congressman from Georgia, Fred Upton, Congressman from Michigan, John Sweeney, the Congressman from New York, John Shimkus, the Congressman from Illinois, and Wayne Gilchrest, the Congressman from Maryland. Thank you all for being here today.

We've got a nice diverse group of local officials who are with us today. Lieutenant Governor of Oklahoma Mary Fallin is here. Thank you, Governor. I'm glad you're here.

Jim Garner, who's the mayor of the village of Hempstead and, as importantly, is the president of the U.S. Conference of Mayors, thank you for coming, Mr. President. It's got a nice ring to it. [Laughter]

Mayor Bob Young of the city of Augusta is with us today. Bob, thank you for coming. State Senator Beverly Gard from Indiana is coming. She had an eloquent testimony about the need for us to make sure we have manufacturing jobs in America. Clear Skies is—addresses that issue. Thank you for coming, Senator.

Harry Alford, who is the president and CEO of the National Black Chamber of Commerce, is with us. Thank you, Harry. Bruce Davis, who is the president of Kanawha Manufacturing Company, is with us today. Steve Higdon, who is the president of the Greater Louisville Chamber of Commerce, is with us. He spoke eloquently about the need for legislation to make sure jobs in Louisville are saved.

Brian Houseal, who is the executive director of the Adirondack Council, for coming. I appreciate Brian being here. I was in the Adirondacks 2 years ago. Were you there, Sweeney? Yes, you were there. I think it was May, and it snowed. [Laughter] But it's such a beautiful part of our country. I want to thank you for your leadership on this issue.

Chuck MacFarlane, who is the president of Otter Tail Power Company. It is a small utility in the Dakotas, but it's an important part of making sure rural America has got a chance to succeed economically. And I say it's an important part—Otter Tail's viability is an important part, the capacity to bring electricity to our citizens is an important part of any economic plan.

Jerry Roberts is with us. I want to thank Jerry. He's from Monroe, the Monroe plant that we were at the other day. He's the treasurer of the Local 223, Utility Workers of America; it's an AFL-CIO affiliate. I want to thank you for coming.

See, what we're talking about is good for the working people of this country. What we're talking about makes sense for those who work for a living, and I'll explain why in a minute. I thank all the small-business leaders who are here and the community leaders. I want to thank you for your efforts, your deep concern about getting this legislation moving.

See, these people are here because they want a piece of legislation moving. They know we must get something done. And they're asking me what they could do in the room. And I said, "Well, I'm confident the chairmen are going to carry the load. We've just got to make sure that once these bills get moving, that the undecideds hear from us, that people understand the benefits as to why we need this legislation."

With the landmark Clean Air Act of 1970, our Nation set high goals for air quality. And this administration strongly supports those goals. I believe that by combining the ethic of good stewardship and the spirit of innovation, we will continue

to improve the quality of our air and the health of our economy and improve the chance for people to have a good life here in America.

You know, a lot of times I talk about the fact that we can grow our economy and protect our environment. We've shown over the last decades that that is possible. Our economy has grown 164 percent in three decades. According to the EPA report released yesterday, air pollution from six major pollutants is down by 48 percent during that time. It's possible to grow the economy and protect the air. We're proving it here in America.

And so the question is, how do we not only continue that improvement but to do more in a way that makes sense? And that's what I want to discuss with you. I've got three ideas or three commonsense points that I want to talk about to improve the quality of our life here in America.

First, this administration is taking a strong stand when it comes to air pollution that comes from diesel vehicles. We made a bold step and a bold proposal. Before we made the proposal, we wisely sought advice from environmental groups, from agricultural concerns, from manufacturers, from energy companies, to develop a strategy that will reduce emissions from diesel use.

Oil companies will now lower the sulfur in diesel fuel. There will be tough new limits—emission limits on diesel truck engines. And we're putting forward sensible new rules that will control pollution from off-road vehicles like heavy construction equipment. We put together a good plan to deal with this important issue, a plan supported by a lot of interests.

Secondly, we're meeting new air quality standards by fixing some old regulations that weren't working very well. It's what they call New Source Review regulations. See, we want to encourage our companies to invest in new technologies and modernize equipment where possible, so that

we can produce more electricity and pollute less. That's what we want to do. It makes sense, doesn't it, to have policy that says to a plant like the one we visited in Monroe yesterday, "We want to encourage you to get with the latest technology, so you can do your job of providing more electricity but do it in a way that protects the environment." Unfortunately, old regulations discourage companies from doing that. We had old regulations on the books that made it very difficult for utilities to make wise decisions.

As a matter of fact, it made it difficult for them to even have routine repairs or replace old equipment. You see, if powerplants or other companies wanted to make a change they could afford, under the old regulations, regulators would come in and order all kinds of changes. They would make it such that there would be a multiyear bureaucratic battle. See, the rules were so complex that they were open for interpretation.

Complex rules also opens decisions to litigation. You know, when something's really complex, it makes it easy for lawyers to sue and tie things up. Plant managers weren't able to put the latest technology in place to improve the quality of our air because of fear of bureaucratic battle and lawsuit. That didn't seem to make any sense to us in this administration, because we understand when plants become inefficient and old and stale and tired, the cost to the consumer goes up, reliability of energy supplies is decreased, jobs are lost. In fact, the spirit of the Clean Air Act is disregarded.

So we did something about it in this administration. We reviewed the old rules. We held public meetings. We had more than 100 groups participate in hearings. We considered thousands of comments. We had a good, healthy debate. And now we're taking action. We're replacing the old rules with simple, clear, easy-to-understand rules that will allow utility companies to make

routine repairs without enormous costs and enormous disruptions to their plants.

And the country is going to be better off for it. By changing the New Source Review regulations, Americans are going to have more reliable electricity at better cost, and the skies will be cleaner. And it was finally time to act, and this administration acted.

Third way to clean our air is through the Clear Skies proposal. This legislation sets mandatory limits on the pollution that contributes heavily to smog, to acid rain, and nitrogen deposits that damage our streams and our bays. Our goal over the next 15 years is to reduce sulfur dioxide emissions by 73 percent, nitrogen oxide emissions by 67 percent, and to have mandatory limits on mercury emissions, cutting those emissions by 69 percent. These standards will be set, and our powerplants will have the flexibility to meet the standards. That's an important part of this initiative.

Clear Skies will establish overall caps on emissions, and instead of Government telling utilities where and how to cut pollution, we will tell them how much to cut and when we expect progress to be made. Every year, each facility will need a permit of each ton of pollution it emits. Plants that can reduce their pollution below that amount are allowed to sell the surplus to other plants that need more time.

This is a system, cap-and-trade, with built-in incentives. It has worked in the past. It will make it financially worthwhile for companies to invest earlier in controls and therefore pollute less. And by taking this action—and I urge Congress to take the action—we'll have more affordable energy, more jobs, and cleaner skies. The people here today share a conviction that Clear Skies is a sound way to clean our air and keep the economy growing. And I'm sure when Congress looks at this initiative, they'll agree.

The Adirondack Council is here, and I want to thank you for coming. They support this approach. You see, they've seen

cap-and-trade work. The forests in the Adirondacks were and are still threatened by acid rain. There was a severe problem. In 1990, the Congress set ambitious goals for cutting, by half, pollution that leads to acid rain and created the cap-and-trade system I just described.

And the law—1990 law had an incredibly positive effect. The Adirondacks are on their way back. The damage from acid rain is being repaired, but there is more to do when it comes to acid rain. By placing stringent limits on the pollution that causes acid rain and harms our water, Clear Skies will help us to complete the job that was started in 1990. It's a good, sound piece of environmental legislation.

We've got State and local officials here. See, they support Clear Skies because they want their communities to be able to have clean air and good manufacturing jobs. Combined with the administration's rules on diesel emissions and Clear Skies, State and local leaders will have the ability to meet national standards without sacrificing good jobs—good manufacturing jobs.

See, there's now a tradeoff to be made. The rules are such that it's likely a lot of cities are going to lose the capacity to have good manufacturing jobs. A lot of inner-city people aren't going to be able to find work. The legislation on the books is counterproductive. We've got to change it with good, commonsense legislation. And that's what we're here to talk about.

This legislation has support from utility companies. Why? Because there will be certainty, and they'll be given the incentive

and flexibility to invest in new technologies. And of course, the unions support it, because a reliable energy source is important for job creation. But think about all the jobs that will come as new technologies are installed in the plants.

No, there's a lot of benefit for this piece of legislation. I'm anxious to get it started in Congress. See, we've had to deal with some issues in this country. We've had to deal with the fact that too many of our citizens are looking for work. One way to make sure that the job supply is steady and growing in the long term is to have a realistic energy policy coupled with realistic environmental policy. It's a very important part of a growing job base. People need certainty when it comes to planning. People need to know the rules are going to encourage investment and change, not discourage it. People need to know there's going to be less lawsuits that prevent rational thought from going forward. People in this country must understand that we can have a pro-growth agenda, a pro-job agenda, and a pro-environment agenda at the same time, and Clear Skies legislation is just that.

I want to thank you for coming. I want to thank you for your interest. God bless you all.

NOTE: The President spoke at 2:38 p.m. in the East Garden at the White House. In his remarks, he referred to Mayor Bob Young of Augusta, GA; and Gerald Robertson, treasurer, Utility Workers Union of America Local 223.