

ENVIRONMENT

Michigan Lawmakers Protest Administration's Fuel-Economy Plans

BY MARGARET KRIZ HOBSON, CQ STAFF WRITER

A White House proposal to boost vehicle fuel-economy standards is too aggressive and may go beyond what is technologically feasible, members of Michigan's congressional delegation said in a letter to President Obama.

The 16 lawmakers said that the targets could set back the auto industry's recovery. "With the Michigan unemployment rate standing at 10.5 percent, we are unanimous in our concern about the consequences of an excessive proposal," reads the letter, which was released July 22.

The state delegation includes three powerful congressional chairmen: Republican Fred Upton, chairman of the House Energy and Commerce Committee; Demo-

crat Debbie Stabenow, chairwoman of the Senate Agriculture, Nutrition and Forestry Committee; and Democrat Carl Levin, chairman of the Senate Armed Services Committee. The entire delegation except Rep. John Conyers Jr. signed the letter.

The group also includes former House Energy and Commerce Chairman John D. Dingell, a Democrat who is the longest-serving House member ever.

The administration and the auto industry are engaged in closed-door negotiations to develop a single mileage standard for new cars and trucks that would meet the Transportation Department's fuel-economy standards and the EPA's greenhouse gas emissions standard for car and trucks. The joint EPA-Transportation proposal is ex-

pected to be released in September, with the final mandate due in July 2012.

In their letter, the Michigan lawmakers described the administration's opening proposal to raise mileage standards to 56.2 miles per gallon by 2025 as "overly aggressive and not reasonably feasible." Current regulations require makers of car and light trucks to meet a 34.1-miles-per-gallon target for model year 2016, averaged out across their entire fleets.

Car industry officials insist that the increased mileage requirements could be met only if the public were to buy significantly more electric and hybrid vehicles. According to A. Bailey Wood Jr., legislative director for the National Automobile Dealers

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ENERGY

State Department Set to Resolve Canadian Pipeline Issue; House May Consider Bill

BY MARGARET KRIZ HOBSON, CQ STAFF WRITER

The State Department says it is on schedule to decide by the end of the year whether to allow construction of the \$7 billion, 1,700-mile TransCanada Keystone XL pipeline, which would link Canada's tar-sands region with refineries in the Midwest and Texas.

The State Department released its timeline, including plans to issue a final environmental-impact study in August, at a time when the Obama administration is coming under increased pressure from Congress, environmental lobbyists and industry groups about the project.

According to State Department officials, once the environmental study is released, they will hold eight public meetings in the states that would be affected by the pipeline — Montana, South Dakota, Nebraska, Kansas, Oklahoma, and Texas — as well as a hearing in Washington, D.C. Because the pipeline would originate in Alberta and cross the U.S.-Canadian border, approval rests with Secretary of State Hillary Rodham Clinton. But other federal agencies can appeal her decision to President Obama.

House Republicans want the White House to decide by Nov. 1 whether the pipeline can be built. A bill (HR 1938) demanding expedited consideration of the

project was approved in June by the House Energy and Commerce Committee and is scheduled to be considered on the floor as early as this week. Earlier this month, the House Foreign Affairs Committee included similar language in the State Department's 2012 spending bill.

State Department Says Bill 'Unnecessary'

State Department officials downplay the importance of the House legislation.

"From our perspective at the State Department, we think it's unnecessary, since we've already committed to completing this project by the end of the year," Daniel Clune, principal deputy assistant secretary in the department's Bureau of Oceans and International Environmental and Scientific Affairs, said at a briefing last week.

Senate Democrats, however, are cautioning the Obama administration to go slowly on the pipeline request. In a July 15 letter to Clinton, seven Democrats asked the administration to conduct further study of the potential risks to underground aquifers along the proposed pipeline path.

"One need look no further than the ongoing impacts on the Yellowstone River in Montana from a leak in ExxonMobil's Silvertip pipeline to recognize that such risks are very real," said the letter, spearheaded by Rhode Island's Sheldon Whitehouse and

signed by Environment and Public Works Chairwoman Barbara Boxer of California and five others.

Environmental groups note that even before the Montana accident, the EPA had raised serious concerns about the environmental impact of the \$7 billion pipeline.

More than a dozen national environmental activists — including actor Danny Glover, author Bill McGibben, and James Gustav Speth, who headed the White House Council on Environmental Quality during the Carter administration — are backing a sit-in at the White House from Aug. 20 through Sept. 3 to protest the pipeline proposal.

Meanwhile, the oil industry is touting the economic and energy-security benefits of the pipeline. The American Petroleum Institute will release a study this week by the Canadian Energy Research Institute, which says the United States has already lost thousands of jobs because the Keystone pipeline has not been built.

With negotiations intensifying, the Alliance of Automobile Manufacturers planned to run radio ads over the weekend in several Midwestern states with a high number of auto-related jobs and in regions with high sales of pickup trucks and SUVs, according to Gloria Bergquist, vice president for communications and public affairs. ♦