



ENVIRONMENTAL DEFENSE FUND

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September 9, 2009

Chairman Barry Smitherman
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, TX 78711

Chairman Bryan Shaw
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, TX 78711-3087

Chairman Victor Carillo
Railroad Commission of Texas
1701 N. Congress Avenue
P.O. Box 12967
Austin, TX, 78701

Dear Chairman Smitherman, Chairman Shaw, and Chairman Carillo,

I am glad to hear about your proposed joint meeting on the American Clean Energy and Security Act (ACESA) and that you are interested in hearing from all parties. I would like to add my voice to those legislators around the state such as Senators Rodney Ellis and Kirk Watson, and Representatives Rafael Anchia and Mark Strama who are asking that this joint meeting be a fair review of the facts regarding the bill and the economic impacts of climate change on Texas. I would also like to see this joint meeting rise above the recent politically motivated press releases and op-eds by some Texas politicians, which relied on so-called "studies" that admittedly and intentionally did not analyze the job and economic benefits of the ACESA.

Any discussion among state agencies needs to consider the weight of evidence from a number of peer-reviewed studies showing the impacts of ACESA to be minimal and often positive. Further, these studies need to be evaluated in the context of the threat of inaction to our economy as determined by Texas scientists at Texas A&M, Texas Tech, and SMU among others.

Below I list a number of studies and experts that you should consult to better inform your work. These studies do what any fair and meaningful study would do: look at both the costs and the benefits of ACESA. In particular, they illuminate the significant benefits that will accrue to Texas as a result of ACESA, which some state agency studies have pointedly avoided discussing or analyzing. In addition, some of these studies examine the tremendous damage to Texas that will occur if we do not act forcefully to reduce the emissions of greenhouse gases swiftly.

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The following studies, those studies' authors, and a number of experts - many from Texas - should be consulted if the joint meeting is to have a legitimate level of scientific rigor.

Studies

- *Estimating the Influence of Projected Global Warming Scenarios on Hurricane Flooding*, by Dr. Jen Irish, Texas A&M-Corpus Christi, which shows that a large part of the Houston-Galveston petrochemical complex maybe be underwater due to global warming, unless action is taken soon to limit emissions;
- *The Impact of Global Warming on Texas, 2nd Edition* edited by Jurgen Schmandt, Judith Clarkson and Gerald R. North, which shows broad wide ranging physical and economic harm to many parts of Texas from global warming;
- *The Socio-Economic Impact of Sea Level Rise in the Galveston Bay Region*, by Dr. David Yoskowitz, Texas A&M, which used conservative estimates of sea level rise and found that 78 percent of current households will be displaced in Galveston County alone.
- *American Council for an Energy Efficient Economy* whose study *Potential for Energy Efficiency, Demand Response, and Onsite Renewable Energy to Meet Texas's Growing Electricity Needs* which demonstrated that growing demand for in energy in Texas could be met by energy efficiency and renewable energy (the type of energy sources facilitated by a cap on carbon, such as contained in ACESA) while saving money over the business as usual scenario;
- *The Other Side of the Coin: The Economic Benefits of Climate Legislation* by the Institute for Policy Integrity at New York University School of Law, which found that for every dollar spent on ACESA, approximately \$2.29 in direct benefits is produced.
- *Clean Power Green Jobs* by the Union of Concerned Scientists, which shows that Texans will save \$21 billion in natural gas expenses as a result of ACESA; and
- Studies from the Energy Information Administration, the non-partisan Congressional Budget Office and the Environmental Protection Agency that account for the benefits of ACESA and show little net economic harm, in contrast to some of the result oriented studies from Texas state agencies that only consider costs to some industries.

Experts

- The entire tenured and tenured-track faculty at Texas A&M Department of Atmospheric Sciences, who have signed an open letter that is attached, which says unanimously that "climate change brings with it a risk of serious adverse impacts on our environment and society";
- Experts from the United Kingdom, including their consular office in Houston that can attest that a hard cap on carbon emissions similar to those in the ACESA have not had the type of harm on the UK generally or the UK oil industry claimed in the so-called "studies" cited by some Texas politicians;

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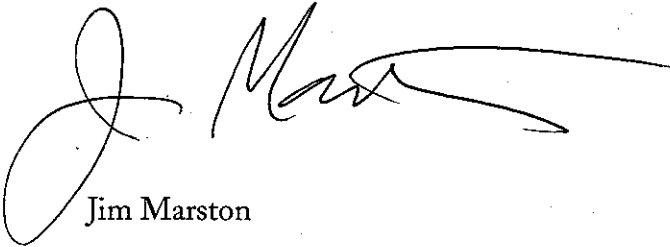
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- Experts from Shell Oil and BP that can tell you why they support federal legislation with a cap and trade system for greenhouse gases, such as contained in the ACESA;
- The Bureau of Economic Geology at the University of Texas about the tremendous opportunity for the Texas oil and gas industry from the use of carbon capture and sequestration to enhance oil recovery that is promoted in the ACESA.

I agree that the ACESA legislation bears scrutiny, but until now the studies prepared or cited by Texas state agencies have been disappointing in their limited designs and in many cases outright bias. Texans deserve a Joint meeting that genuinely seeks the truth, not a publicity stunt. Environmental Defense Fund would be happy to work with you to develop a productive agenda and slate of speakers.

Sincerely,



Jim Marston

cc: Commissioner Elizabeth Ames Jones
Commissioner Michael Williams
Commissioner Buddy Garcia
Commissioner Carlos Rubiskin
Commissioner Donna Nelson
Commissioner Kenneth W. Anderson, Jr.