HUNTON& WILLIAMS

NEWS RELEASE

June 2009

Contacts

John Deacon

30 St Mary Axe London EC3A 8EP +44 (0)20 7220 5707 jdeacon@hunton.com

Matthew Williams

30 St Mary Axe London EC3A 8EP +44 (0)20 7220 5740 mwilliams@hunton.com

Joseph C. Stanko, Jr.

1900 K Street NW Washington, DC 20006 (202) 955-1529 jstanko@hunton.com

Scott J. Stone

1900 K Street NW Washington, DC 20006 (202) 419-2160 sstone@hunton.com

Tauna M. Szymanski

1900 K Street NW Washington, DC 20006 (202) 955-1949 30 St Mary Axe London EC3A 8EP +44-20-7220-5766 tszymanski@hunton.com

U.S. House Passes Climate Change Legislation Bill establishes cap-and-trade program, renewable electricity standard, and energy efficiency standards

The U.S. House of Representatives passed the American Clean Energy and Security Act of 2009 on Friday, June 26, by a vote of 219 to 212.

The bill would establish a cap-and-trade system in the United States that aims to reduce U.S. emissions of carbon dioxide and other greenhouse gases by 83 percent below 2005 levels by mid-century. It also seeks to promote the development and deployment of renewable energy technologies and improvements in energy efficiency.

Looking ahead, the U.S. Senate is expected to hold hearings on its version of the climate bill in July. The Environment and Public Works Committee, which has jurisdiction over the climate bill in the Senate, may vote on the bill in September, and the committee, which is dominated by liberal Democrats, is expected to pass it. But the bill's chances before the full Senate are much less clear. A minimum of 60 votes is needed to break a procedural block on the bill, and other priorities, such as health care, budget issues, and the economy, raise questions as to whether the bill would even be considered at all.

Additionally, the narrow margin of victory casts doubt as to whether the House version of the bill will attract support from senators representing states dominated by coal or heavy industry. The 219 to 212 outcome is not expected to generate substantial momentum for the bill in the Senate, creating significant uncertainty as to whether President Obama will be able to sign comprehensive climate legislation prior to the international climate treaty negotiations in Copenhagen in December.

Atlanta • Austin • Bangkok • Beijing • Brussels Charlotte • Dallas • Houston • London • Los Angeles McLean • Miami • New York • Norfolk • Raleigh Richmond • San Francisco • Singapore • Washington

Hunton & Williams LLP

© 2009 Hunton & Williams LLP. Attorney advertising materials. These materials have been prepared for informational purposes only and are not legal advice. This information is not intended to create an attorney-client or similar relationship. Please do not send us confidential information. Past successes cannot be an assurance of future success. Whether you need legal services and which lawyer you select are important decisions that should not be based solely upon these materials.