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## Utility Quits U.S. Chamber Over Rift on Climate Bill

By CASSANDRA SWEET

Exelon Corp. on Monday became the third big utility in the past week to quit the U.S. Chamber of Commerce over the influential business group's stance against federal climate-change legislation.

The decision by Exelon, one of the nation's biggest nuclear power-plant operators, to quit the Chamber follows similar moves by PG&E Corp. and PNM Resources Inc. and highlights a growing rift between the nation's power sector and other industries over climate policy.

Chicago-based Exelon said the U.S. government needs to set climate-change policy promptly, in part to allow energy markets to attach a price to cutting a ton of carbon-dioxide emissions. The House in June passed a bill that would require the U.S. to cut greenhouse-gas emissions 17% from 2005 levels by 2020, and create a market-based program called "cap and trade" in which companies could buy and sell the right to emit carbon dioxide.

"The carbon-based free lunch is over," Exelon Chairman and Chief Executive John W. Rowe said in a statement. "But while we can't fix our climate problems for free, the price signal sent through a cap-and-trade system will drive low-carbon investments in the most inexpensive and efficient way possible."

Exelon, PG&E and PNM all operate nuclear power plants and emit far less carbon dioxide than some of their peers, particularly companies that operate large fleets of coal-fired power plants. Coal plants produce roughly

twice the greenhouse-gas emissions of similarly sized natural-gas-fired plants. Nuclear power plants emit almost no greenhouse-gas emissions, and so stand to benefit from legislation that would cap emissions.

The companies' departures are unlikely to change the Chamber's position on climate-change policy, said David Chavern, the group's chief operating officer. He added that although the Chamber opposed a House bill to cap greenhouse-gas emissions and disagrees with plans by the Environmental Protection Agency to begin regulating emissions, it isn't opposed to some form of U.S. climate-change legislation.

"Congress should do everything it can to promote and incentivize technology development and other policies that allow us to control carbon in ways that don't trash the economy," Mr. Chavern said.

The climate debate was overshadowed in Washington most of the summer by the battle over proposals to overhaul the health-care system. But later this week, the chairwoman of the Senate Committee on Environment and Public Works, Barbara Boxer (D., Calif.), is expected to introduce a Senate proposal to reduce U.S. greenhouse-gas emissions. Whether the Senate will act on a proposal before an international climate summit in Copenhagen in December is unclear.

Despite their differences, U.S. power companies, represented by the lobbying group Edison Electric Institute, have banded together in support of the climate-change legislation that passed the House.

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The U.S. Chamber opposed that bill, by Reps. Henry Waxman (D., Calif.) and Edward Markey (D., Mass.). And it recently suggested that the U.S. come up with a forum to debate evidence that climate change is man-made, in response to a proposed finding by the EPA that global warming poses a danger to public health.

"We are not debating the science behind global warming," William Kovacs, the chamber's senior vice president for environment, technology and regulatory affairs, said at the time. "We are unconvinced that EPA has demonstrated, as a matter of law, that greenhouse-gas emissions from motor vehicles in the U.S. endanger public health or welfare."

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## Companies within this Article

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Exelon Corp.(EXC)	47.98	-0.51	4:02p.m.
PG&E Corp.(PCG)	40.00	-0.19	4:01p.m.