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ENVIRONMENTAL DEFENSE

finding the ways that work

THERE THEY GO AGAIN... OIL AND COAL COMPANIES CRY WOLF

The oil and coal industries make it their business to oppose laws to protect our health and environment. Time and again they make outrageous “the sky is falling” claims about the supposedly dire effects of environmental regulations on our economy and way of life - job losses, exaggerated costs to consumers, and rationing are common industry predictions. And repeatedly, they have been proven wrong.

Now the oil and coal industries are at it again, opposing policies to reduce global warming pollution in California. They set up front groups that falsely claimed that global warming is not really happening at all.¹ Then, they claimed that global warming is *good* for us.² Now they are blanketing the capitol with glossy brochures opposing AB 32 and SB 1368 with their familiar, dire predictions about “destabilizing transportation fuel supplies” and “greatly devastating the economy.”³ This tired refrain is no surprise from industries that would rather keep Californians hooked on the fuels they sell. But once again their predictions ring hollow, and once again they are wrong. The fact is that cutting global warming pollution and reducing the state’s dependence on fossil fuels will benefit Californians.

Oil Industry: Guilty of Crying Wolf

Time after time, oil industry claims have proven to be wrong.

➤ ***Industry Opposed Removing Lead from Gasoline***

The oil industry opposed efforts by the U.S. Environmental Protection Agency (EPA) to remove lead from gasoline, going so far as to challenge the lead phase-out in court. The industry claimed there was no evidence of actual harm to human health from lead.⁴ But EPA scientists have found that lead is “very toxic.”⁵ And in the end, the cost to remove lead from gasoline was 95% less than the costs predicted by the oil industry.⁶

➤ ***Industry Opposed Clean Air Laws***

When Congress sought to strengthen the nation’s clean air laws in 1990, the oil industry opposed the proposed clean fuels program, claiming it would be too expensive and predicting high costs. The oil industry claimed that “they couldn’t make reformulated gasoline to meet the standard” and then, just six days later, gasoline that met the standard was offered for sale.⁷ And in 2003, the White House Office of Management and Budget concluded that the health and societal benefits of the clean air regulations were 5 to 7 times greater in economic terms than the costs of compliance.⁸

➤ ***Industry Opposed Laws to Prevent Oil Spills***

After the *Exxon Valdez* disaster, Congress took up the Oil Pollution Act to prevent oil spills. Oil company executives responded with the predictable threats of oil shortages, and warned there would not be enough tankers to meet the requirements.⁹ But the requirements went into effect “without causing any disruption in oil supplies.”¹⁰ And, the number of U.S. oil tanker spills fell sharply after the rule went into effect.¹¹

Coal Industry Cries Wolf Too

Coal companies also make a habit of opposing important environmental and public health laws.

➤ **Industry Opposed Real Mercury Reductions**

The coal industry is loath to admit the connection between its mercury emissions and health effects, even though EPA scientists have found mercury to be toxic.¹² A recent industry factsheet notes their “commitment” to mercury reductions, but questions the link between power plant mercury emissions and health effects.¹³ And the coal industry claims to support mercury controls, but the program they support can result in mercury hotspots and could actually *increase* emissions in certain areas instead of lowering emissions.

➤ **Industry Exaggerated Costs to Reduce Acid Rain and Restore Mined Land**

Cost estimates by the coal industry have been notoriously inaccurate. For the program to reduce acid rain (which was destroying forests around the country), industry studies predicted costs that were 40% to 50% higher than the actual compliance costs.¹⁴ And for the Surface Mining Control and Reclamation Act, meant to ensure that formerly mined land is returned to a more natural condition, the compliance cost estimates were 6 to 24 times higher than the actual compliance costs.¹⁵

➤ **Industry Opposed Health Protections for Workers**

Mine workers and their families have fought for years for medical benefits for miners with black lung disease. The coal industry fought these efforts and supported policies that resulted in a 92% to 96% rejection of black lung benefits for Virginia coal workers who applied.¹⁶

California Knows Better

AB 32 and SB 1368 are just the latest in a long line of public health and environmental laws that the oil and coal industries are attempting to stop by making outrageous claims. It's time to call their bluff and to focus on what's good for Californians. Acting now to limit the state's global warming pollution will help California gain a competitive advantage in the fast-growing clean energy market. While the oil and coal industries may not profit when the state reduces its dependence on fossil fuels, Californians most certainly will benefit. And the Golden State can continue to build on its leadership and proven success by providing strong environmental protection and a healthy economy at the same time.

1. Union of Concerned Scientists, http://www.ucsusa.org/global_warming/science/skeptic-organizations.html. 2. Competitive Enterprise Institute, “We Call it *Life*,” <http://www.cei.org/pages/co2.cfm>. 3. Western States Petroleum Association letter to Speaker Nunez in opposition to AB 32 (April 27, 2006), and Sustainable Environment and Economy for California (SEECalifornia) letter to Speaker Nunez and Assemblywoman Pavley in opposition to AB 32 (June 30, 2006). 4. Ethyl Corporation v. EPA, 176 U.S. App. D.C. 373 (1976). 5. U.S. Environmental Protection Agency, “Lead Compounds: Hazard Summary,” Revised January 2000, <http://www.epa.gov/ttn/atw/hlthef/lead.html#ref6>. 6. Clean Air Amendments, Letter from EPA Asst. Administrator Rosenberg, 251 Science 1546 (1991). 7. Bush Signs Clean Air Act Amendments, Predicts Benefits for All U.S. Citizens, 21 Env. Rep. (BNA) 1387 (1990). 8. Office of Management and Budget, Office of Information and Regulatory Affairs, “Informing Regulatory Decisions: 2003 Report to Congress on the Costs and Benefits of Federal Regulations and Unfunded Mandates on State, Local, and Tribal Entities,” 2003. 9. “Shift in Insurance to Cover Oil Ships May Disrupt Flow,” *The New York Times*, December 12, 1994 at A-1. 10. “Company News; Oil Supplies Unaffected by Tanker Rules,” *The New York Times*, December 29, 1994 at D-4. 11. “U.S. Oil Spills Have Declined Sharply, Study Says; Stiffer Federal Law Is Cited,” *Wall Street Journal*, August 24, 1992 at A5C. 12. U.S. Environmental Protection Agency, “Mercury Compounds: Hazard Summary,” Revised January 2000, www.epa.gov/ttn/atw/hlthef/mercury.html. 13. National Mining Association, “Commitment to Continued Mercury Emissions Reductions, and Air Quality Improvements,” http://www.nma.org/pdf/pol_briefs/mercury_issue_brief_052804.pdf. 14. “The Cost of Reducing SO₂ (It's Higher Than You Think),” *Public Utilities Fortnightly*, May 15, 1998 at pg. 25-26. 15. Goodstein, E., “Polluted Data,” *The American Prospect*, November 1, 1997 (available at <http://www.prospect.org/web/page.wv?section=root&name=ViewPrint&articleId=4757>). 16. “A Coalfield Legacy: Black Lung; As Court Battles for Disability Benefits Drag On, Miners Slowly Suffocate,” *The Roanoke Times* (Virginia), November 24, 2000 at A1.

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