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## UK, Calif. to strike global warming deal

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Associated Press

**WASHINGTON** - Britain and California are preparing to sidestep the Bush administration and fight global warming together by creating a joint market for greenhouse gases.

British Prime Minister Tony Blair and California Gov. Arnold Schwarzenegger plan to lay the groundwork for a new trans-Atlantic market in carbon dioxide emissions, The Associated Press has learned. Such a move could help California cut carbon dioxide and other heat-trapping gases scientists blame for warming the planet. President Bush has rejected the idea of ordering such cuts.

Blair and Schwarzenegger were expected to announce their collaboration Monday afternoon in Los Angeles, according to documents provided by British government officials on condition of anonymity because the announcement was forthcoming.

The aim is to fix a price on carbon pollution, an unwanted byproduct of burning fossil fuels like coal, oil and gasoline. The idea is to set overall caps for carbon and reward businesses that find a profitable way to minimize their carbon emissions, thereby encouraging new, greener technologies.

Monday's meeting was being hosted by Steve Howard, CEO of The Climate Group, and Lord John Browne, chairman of British Petroleum. British and American business leaders planned to use it to also discuss other ways of accelerating use of low-carbon technologies.

The world's only mandatory carbon trading program is in Europe. Created in conjunction with the Kyoto Protocol, a 1997 international treaty that took effect last year, it caps the amount of carbon dioxide that can be emitted from power plants and factories in more than two dozen countries.

Companies can trade rights to pollute directly with each other or through exchanges located around Europe as long as the cap is met. Canada, one of more than 160 nations that signed Kyoto, plans a similar program.

Although the United States is one of the few industrialized nations that haven't signed the treaty, some Eastern states are developing a regional cap-and-trade program. And some U.S. companies have voluntarily agreed to cap their carbon pollution as part of a new Chicago-based market.

A main target of the agreement between Britain and California is the carbon from cars, trucks and other modes of transportation. Transportation accounts for an estimated 41 percent of California's greenhouse gas emissions and 28 percent of Britain's.

Schwarzenegger has called on California to cut its greenhouse gas emissions to 2000 levels by 2010. California was the 12th largest source of greenhouse gases in the world last year, bigger than most nations.

Blair has called on Britain to reduce carbon emissions to 60 percent of its 1990 levels by 2050. Britain also has been looking at imposing individual limits on carbon pollution. People who accumulate unused carbon allowances - for example, by driving less, or switching to less polluting vehicles - could sell them to people who exceed their allowances - for example by driving more.

Bush has resisted Blair's efforts to make carbon reduction a top international priority. After taking office, Bush reversed a 2000 campaign pledge to regulate carbon dioxide emissions, then withdrew U.S. support from the Kyoto treaty requiring industrialized nations to cut their greenhouse gases to below 1990 levels.

The United States is responsible for a quarter of the world's global warming pollution. Bush administration officials argue that requiring cuts in greenhouse gases would cost the U.S. economy 5 million jobs. Instead, the administration has poured billions of dollars into research aimed at slowing the growth of most greenhouse gases while advocating a global cut on one of them, methane.

## **ON THE NET**

British Foreign Office: <http://www.fco.gov.uk>

California Climate Change Portal: <http://www.climatechange.ca.gov/>

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