

# NAM Principles on Climate Change

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## Successful U.S. greenhouse gas emission reduction policies will:

- Prioritize the removal of market barriers to achieving energy efficiency and emissions reduction at a net economic gain;
- Support economic growth while avoiding severe economic dislocations;
- Create a single national greenhouse gas (GHG) registry, which can be used by states and other entities;
- Preempt state climate change laws, regional programs, and related litigation;
- Prevent undermining or disruption of interstate commerce;
- Be equitable and economy-wide in scope;
- Recognize the different competitive environments and abilities of sectors;
- Employ the most cost-effective implementation mechanisms;
- Avoid creating “compulsory” manufacturers, who would bear the burden for emissions and actions they do not control;
- Promote the development and deployment of advanced, energy efficient and zero- and low-GHG emission and sequestration technologies, as well as efficiency-enabling information communication technology, as part of a long-term strategy;
- Harmonize and make flexible compliance deadlines, consistent with the development and commercial deployment of necessary technologies and to ensure smooth transition;
- Include a safety valve or other equally effective and responsive cost containment mechanism;
- Cover all significant GHGs, sources, and sinks;
- Encourage the development, funding and deployment of energy-efficient, zero- and low-carbon emissions, sequestration technologies, and broadband infrastructure to facilitate greater use of videoconferencing, teleconferencing, e-commerce, smart transportation and smart metering;
- Address the legal, technical, regulatory, liability, infrastructure framework and other challenges for capture, transport and storage of carbon dioxide;
- Expand the production of reliable, affordable, and diverse domestic energy supplies;
- Reform conflicting or duplicative Clean Air Act and other provisions;
- Promote global participation and encourage comparable global emission reduction action by all U.S. trading partners in a reasonable timeframe;
- Not exacerbate high U.S. natural gas prices, which are a major reason for 3 million lost manufacturing jobs in recent years;
- Encourage the use of voluntary emission reduction initiatives organized around goals and five year review periods, while ensuring that companies will not be disadvantaged later for current voluntary actions;
- Give consideration to industries exposed to foreign competition if a U.S. climate change policy creates competitive disadvantages;
- Avoid multiple and extreme penalties that adversely impact economic sectors;
- Ensure transparency and open communication of policy, costs, benefits and uncertainties; and,
- Accompany climate policy with policies that expand the production and use of reliable affordable and environmentally sound domestic energy supplies.