

APPENDIX F

KYOTO PROTOCOL

The Kyoto Protocol is a protocol to the International Framework Convention on Climate Change with the objective of reducing greenhouse gases. The treaty went into force on 16 February 2005. As of November 2007, 174 countries have ratified the protocol. The protocol is very complex and an excellent 23-page write-up of it is available from Wikipedia on Internet.

United States has not ratified the protocol. *Some 19,000 scientists signed a petition against the Kyoto Protocol (See Appendix H). It is no wonder, since the Kyoto Protocol would only result in the avoidance of 0.126F (0.07C) warming by the year 2050* (Reference 3, pages 52 and 82). This estimated avoidance is based upon studies by Tom Wigley, Senior Scientist at US National Center for Atmospheric Research.

The United Nations administers the protocol. In essence, *Annex 1 Countries* (36 “**developed**” countries plus the European Union) must reduce their greenhouse emissions (carbon dioxide and 5 other greenhouse gases) by 5.2% below their 1990 levels or engage in emission trading if they maintain or increase these emissions. The other greenhouse gases are methane, nitric oxide, sulfur hexafluoride, hydrofluorocarbons, and perfluorocarbons. *This will cost Annex 1 Countries a few trillion dollars loss in their gross domestic products by the year 2025 (based on analysis of the McCain-Bingaman bill—page 38).*

This is a particularly harsh requirement because several countries that enjoyed rapid growth since 1990 have increased carbon emissions by over 20%, such as Ireland (22.7%), Greece (25.3%), Spain (50.4%) and Canada (62.2%). During that period, incidentally, US increased emissions by 21.1%.

To facilitate this action, initial Annex 1 Country reduction goals in the 2008 to 2012 period are different for each country, though typically in the 6-8% range. *Russia, however, does not have to reduce emissions at all*, and rate increases are permitted for Australia (5%) and Iceland (10%). Apparently, these goals are based on per capita greenhouse gas emissions.

Non-Annex 1 countries consist of 137 “**developing**” countries. They have **no** requirements for reducing greenhouse gas emissions. This includes China and India. *China is adding new coal-fired power plants at the rate of one per week.* Their greenhouse emissions are presently 54% of the greenhouse emission levels of the United States.

Non-Annex 1 countries can gain credits when a greenhouse reduction project is implemented in these countries. They can then sell the credits (usually “carbon credits”) to Annex 1 countries to offset their gains. Also, other Annex 1 countries with excess carbon credits can also sell them.

Trading in carbon credits is now a 60 billion dollar market. Naturally, Non-annex 1 countries want the most money possible for carbon credits, while Annex 1 countries want to pay as little as possible. As a result, power companies buy credits for future increases. Also, financial market traders (banks, brokers, funds, arbitragers, and private traders) can buy up these credits and resell them for profit.

The Protocol also reaffirms the principle that developed countries (Annex 1 countries) have to pay billions of dollars, and supply technology free to developing countries for climate-related studies and projects.

Failure to meet reduction requirements by actual reductions or buying credits will result in fines and a 30% future increase in reduction goals. Virtually none of the Annex 1 countries have been able to meet their commitments and it is cheaper to pay their fines than to upgrade their industries. As of now, three countries--Japan, Italy, and Spain-- can be fined up to 33 billion dollars for failing to comply. (Reference –Bloomberg, November, 2007). Their taxpayers or electricity users will have to foot the bill.

Conclusion: What started out as a treaty to reduce carbon dioxide emissions to prevent an assumed “global warming” has been changed into a socialistic approach of trying to insure each nation has the same per-capita carbon emissions. The developed nations will pay billions to undeveloped nations to help equalize the per capita carbon footprints. The harsh requirements of this protocol avoids an increase of 0.125F by the year 2050!

In July 25, 1997, the United States Senate unanimously rejected ratification of the Kyoto treaty by a 95-0 vote. They would not be a signatory to a protocol that “would result in serious harm to the economy of the United States.” It appeared that we were completely correct in our decision, and do not have the UN fining us or taxing us for our carbon footprint. We are not obligated to control our energy growth. One feels our politicians really stood up for us this time!

Post Script. As of January 18, 2007, nine Northeastern States are involved in the Regional Greenhouse Gas Initiative which is a state-level emissions capping and trading program, essentially achieving what was specified in the Kyoto protocol. These states are Maine, New Hampshire, Vermont, Connecticut, New York, New Jersey, Delaware, Massachusetts, and Maryland. These states represent 46 million people.

On August 31, 2006, the California Legislature reached an agreement with Governor Schwarzenegger to reduce the state's greenhouse emissions by 25% by the year 2020, which would bring it in line with Kyoto. California has 33 million citizens.

On December 4, 2007, 740 *cities* in 50 states, the District of Columbia, and Puerto Rico, representing over 76 million Americans agreed to support Kyoto. The list includes New York City, Chicago, Boston, Philadelphia, Los Angeles, and nearly every major city in the United States. ***Yes, the do-gooders on the local levels have essentially overridden the US Senate and ratified the Kyoto Protocol. That appears to violate the Constitution.***

The Supreme Court, by a 5-4 ruling, gave the EPA the right to regulate greenhouse gases on 7/19/2005. California sought to regulate tail pipe emissions of greenhouse gases from new cars and trucks. They passed a law to reduce such emission by 30% by the year 2016. The EPA, on March 1, 2008 denied California a waiver to the Clean Air Act, stating the global warming is not unique to the state, but a national issue and the EPA is in charge.

With a capping of carbon emissions, the economy will stagnate, electric bills will soar. California power companies recently tried to get the ability to shut off or regulate the power to every home or business by implanting an electronic control. When the public heard of it, their loud outcry forced its rejection. One wonders whom the politicians think they represent---their constituents or the Greens of the world!

To give an emotional solution to a non-problem is typical of politicians, who, either because of their ignorance, their misinformation, or their lack of technical expertise, take exactly the wrong action, which is usually the most repressive and most costly action.

As Goethe once said, "Nothing is more terrible than ignorance in action!"