Last night, President Obama devoted a chunk of his state of the union speech to climate change and energy issues. He focused on the economic benefits of making our society more energy efficient and bringing more renewable power on-line, particularly the job-creation potential. Surprisingly, he didn't mention the national security benefits of reducing our dependence on foreign oil, which seems like a bipartisan political winner.

As with his health care strategy, he didn't push any particular plan, like cap-and-trade (probably because it's already dead politically, as Rick noted). Instead, he outlined broad parameters for a "comprehensive energy and climate bill" with incentives for clean energy. He thanked the House for passing Waxman-Markey last year, a not-so-subtle dig at the Senate to get moving (something the Senate apparently is not so good at doing). And as with health care, he started this debate by negotiating with himself first. Instead of pushing for strong regulation on carbon emitters or a carbon tax, we got the "market-based" solution of cap-and-trade out of the gate. In this speech, the advance surrender continues, with a reference to "tough decisions" on offshore oil and gas drilling. Perhaps it's just an empty gesture to conservatives or a means to appear moderate to independent voters, but it seems odd to compromise before the negotiations have really begun.

For those interested, here's the bulk of his <u>remarks</u> on energy and climate issues:

Next, we need to encourage American innovation. Last year, we made the largest investment in basic research funding in history - an investment that could lead to the world's cheapest solar cells or treatment that kills cancer cells but leaves healthy ones untouched. And no area is more ripe for such innovation than energy. You can see the results of last year's investment in clean energy - in the North Carolina company that will create 1200 jobs nationwide helping to make advanced batteries; or in the California business that will put 1,000 people to work making solar panels.

But to create more of these clean energy jobs, we need more production, more efficiency, more incentives. That means building a new generation of safe, clean nuclear power plants in this country. It means making tough decisions about opening new offshore areas for oil and gas development. It means continued investment in advanced biofuels and clean coal technologies. And yes, it means passing a comprehensive energy and climate bill with incentives that will finally make clean energy the profitable kind of energy in America.

I am grateful to the House for passing such a bill last year. This year, I am eager

to help advance the bipartisan effort in the Senate. I know there have been questions about whether we can afford such changes in a tough economy; and I know that there are those who disagree with the overwhelming scientific evidence on climate change. But even if you doubt the evidence, providing incentives for energy efficiency and clean energy are the right thing to do for our future – because the nation that leads the clean energy economy will be the nation that leads the global economy. And America must be that nation.