Though the environmental world, both globally and domestically, is anxiously anticipating an Obama Administration climate plan, the economy and national security may slow any comprehensive response down. Congressional insiders I've spoken with doubt we'll see the passage of any signficiant climate legislation until 2010 at the earliest.

But the Obama Administration faces many more immediate questions about federal greenhouse gas regulations that are the result of efforts states and environmental groups made to force federal action out of a recalcitrant Bush Administration. At least three major questions face the Environmental Protection Agency and the Department of the Interior that could dramtically affect the regulation of carbon emissions:

First, as a result of the U.S. Supreme Court decision *Massachusetts v. EPA*, the EPA must decide how to regulate greenhouse gas emissions under the Clean Air Act. Most commentators think the Clean Air Act is a bad vehicle for climate change regulation (for an exception see this interesting article from Holly Doremus and Michael Haneman). But unless Congress passes legislation telling the EPA it can't regulate under the Act the Obama Administration will have to issue regulations. In fact this regulatory process could force Congress's hand on comprehensive climate legislation — industry is likely to hate the idea of Clean Air Act regulation of carbon emissions and may push to have legislation more to its liking.

Second, California is seeking a reversal of the EPA decision to deny the state a waiver allowing it to impose stringent greenhouse gas emissions standards for automobiles. Candidate Obama pledged to allow California to move forward. With many automobile manufacturers teetering on the edge of bankruptcy President Obama is sure to get pressure to keep the waiver denial in place.

Third, lawsuits by environmental groups forced Bush's Secretary of the Interior to list the polar bear as a threatened species under the Endangered Species Act. Still unresolved — but subject to a court settlement — is the designation of critical habitat for the polar bear by June 30, 2010. Designating cricitical habitat raises a host of complex regulatory questions about whether new projects that create carbon emissions will face approval difficulties because of Endangered Species Act requirements. The Obama Adminstration will also face pressure to repeal an industry-protective rule that the Bush Administration issued when it listed the polar bear as threatened.

Economic difficulties or not, then, climate regulation will quickly face the new Administration. And the decisions Obama and his staff face — and, importantly, their timing — are not ones they fully control.