

It's really about controlling our lives

"Low carbon fuel standards" mean higher costs, few environmental benefits and less liberty

Paul Driessen – 18 July 2010

Within days, Majority Leader Harry Reid intends to bring sweeping energy and climate legislation to the Senate floor. He won't call it cap-and-trade or cap-tax-and-trade, and certainly not a carbon tax.

"Those words are not in my vocabulary," he says. "We're going to work on pollution."

Senator Reid's twenty-pound bill will be laden with lofty language about "clean energy," energy conservation, "green jobs," reducing "dangerous" power plant emissions, ending our "addiction" to oil, creating a renewable economy, and saving the planet from "imminent climate disaster."

Environmental euphemisms aside, however, the legislation is really about imposing national "low carbon fuel standards" (LCFS) and forcing dramatic reductions in the use of oil, natural gas and especially coal. It would expand on existing laws, regulations and decrees, like the Environmental Protection Agency's ruling that carbon dioxide somehow "endangers human health and welfare," EPA's June 30 invalidation of flexible air quality permits for Texas refineries, Interior Secretary Salazar's offshore drilling moratorium, multiple state and federal renewable energy standards and mandates, and various state and regional "greenhouse gas initiatives" that restrict emissions from power plants and industrial facilities.

The EPA, Energy Information Administration, White House and Mr. Reid insist that America can easily limit hydrocarbon use and switch to "eco-friendly" wind, solar and biofuel energy – at low cost and minimal harm to families, businesses and jobs. However, their self-serving, other-planet claims are flatly contradicted by a host of studies by reputable analysts with a solid history of integrity and accuracy.

The most recent is a June 17 [report](#) by Charles River Associates, examining the "Economic and Energy Impacts Resulting from a National Low Carbon Fuel Standard." Prepared for the Consumer Energy Alliance, the study looked only at transportation fuels. (Including coal for electricity generation and other uses would dramatically increase its cost estimates.) Nevertheless, the study found that national standards implemented in 2015 would:

- * Increase average gasoline and diesel prices by up to 80% in five years, and 170% within ten years – sending regular gasoline prices soaring to nearly \$5 per gallon by 2020 and \$7.50 per gallon by 2025 (assuming other international price pressures remain unchanged);
- * Spur sharp cost increases for petrochemicals in plastics, pharmaceuticals and other vital products;
- * Reduce employment and consumer demand significantly, by increasing the cost of transporting people, equipment, supplies, raw materials, food and finished products – for work, school, healthcare, business, manufacturing, vacation and other purposes;
- * Cut business investment by \$200-320 billion annually, compared to the no-LCFS baseline;
- * Slash gross domestic product by \$410-750 billion annually by 2025;
- * Cost 2.3 million to 4.5 million American jobs, including up to 1.5 million in manufacturing and 3.0 million in the service sector; and
- * Force household purchasing power downward by \$1,400 to \$2,400 for a family of four by 2025 – impacting minority, elderly and other low and fixed income families worst of all.

None of this should be surprising. As President Obama himself has said, the very purpose of energy and climate policies like LCFS is to ensure that prices "necessarily skyrocket." It is to force people to use less fuel, compel companies to change power generation and use practices, drive coal companies and utilities out of business, and force the development of new fuels and technologies that may or may not work.

All on the premise that we waste energy and are causing a planetary meltdown. Climate change is real, and has been since the dawn of time. But there is no consensus and no evidence that carbon dioxide is the primary factor in global warming and cooling, or that humans are causing a climate disaster. Assertions, assumptions and computer models are not evidence, and cannot justify what Harry Reid is pushing.

Restricting, taxing, regulating and penalizing the hydrocarbon fuels that provide 85% of America's energy would severely hobble our free enterprise system and impact jobs, families, living standards, and basic rights to life, liberty and the pursuit of happiness. Doubling the price of electricity in our industrial heartland – where coal provides 50-95% of all electrical power – would kill millions of jobs, and send millions of families into fuel poverty.

Renewable energy is intermittent, unreliable, land and raw materials intensive, and unsustainable without government mandates and constant infusions of “other people's money” in the form of subsidies. Navy Secretary Ray Mabus might be ecstatic that an F/A-18 fighter jet recently flew on biofuel av-gas. But brewing \$65-per-gallon fuel from camelina is hardly sustainable, even for the Defense Department.

As to the great utopian vision of “green jobs,” Spain's subsidy-driven wind turbine industry cost the country 2.2 jobs for every eco-job it created, according to studies by Dr. Gabriel Calzada. And when the global recession hit, the subsidies dried up, the turbine-making jobs disappeared, and hundreds of wind and solar companies were driven to the precipice of bankruptcy.

Wind turbines, solar panels and electric cars require “rare earth” metals. America's probable deposits are locked up in wilderness areas, which leaves China as the world's predominant producer. So the bulk of the green manufacturing jobs will be in China – while we will get the temp jobs hauling, assembling and installing components made in the Middle Kingdom and shipped to the United States.

Thus, China, India and Brazil will continue to surge forward on plentiful coal and metals, cheap labor, affordable electricity, a can-do attitude, laxer environmental standards, and a rational refusal to accept legally binding carbon dioxide reductions. Thus, even if the USA went cold turkey, and completely shut down all greenhouse-gas-spewing factories, homes and cars, these developing country emissions would overwhelm our sacrifices within a few months, and atmospheric CO2 levels would continue to rise.

And for what? Cars and power plants are already 90% cleaner than their 1970s era predecessors. Climate change is moderate and primarily natural. Mr. Reid's formula is all pain, for no environmental gain.

Even bright high school students understand this. US senators certainly ought to. But Harry Reid is hoping 60 do not. That's the magic number he needs to regulate not just one-sixth of our economy (the healthcare sector), but 100% – because nothing happens without abundant, reliable, affordable energy. And enacting any form of fuel rationing legislation will put Congress and bureaucrats firmly in charge of our lives, liberties, hopes, dreams and rights.

Either Mr. Reid's cadre doesn't understand these basic facts – or they are so blinded by power, ambition, ideology and desire to control that they willfully ignore them.

Climate change truly is a huge moral issue. What the Political-Activist-Industrial Complex is doing in the name of preventing climate change and creating a green economy is un-American and immoral. Applied to poor countries, to restrict their access to abundant, reliable energy, it becomes lethal and inhumane. It can no longer be tolerated.

Be alert. Speak out. And beware of energy and climate dictators and charlatans, and any lame duck session that may come after citizens vote to replace many of the control freaks on Capitol Hill.

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