78% of state legislators read one or more of The Heartland Institute’s newspapers.

HOT TOPICS

Court Approves Mining Rules
The U.S. Court of Appeals for the District of Columbia ruled the Environmental Protection Agency did not have to impose new national financial assurance requirements on the hardrock mining industry.

Page 4

ALEC Tables Resolution
A task force of the American Legislative Exchange Council rejected a proposed resolution calling for the “pursuit of American Clean Energy Policy” at ALEC’s 2019 Annual Meeting.

Page 10

New Ohio Subsidies
Ohio’s first major overhaul of the state’s energy laws in more than a decade is offering subsidies to encourage companies not to close some coal and nuclear power plants and six solar power facilities in rural areas.

Page 14

Costly ‘Green’ City Policies
Texas cities imposing green energy mandates on their residents and businesses are costing them and their taxpayers a lot of money and harming municipal power systems’ reliability.

Page 22

Proposed State Constitutional Amendment Would Bring Competition to Florida’s Electricity Market

By Vivian E. Jones

Today, Floridians who don’t like their electricity provider cannot do anything about it, but a proposed 2020 ballot measure could change that.

Citizens for Energy Choices (CEC), a Florida political action group, is collecting signatures to place a constitutional amendment on the November 2020 ballot directing the Florida legislature to deregulate the state’s electricity market to allow retail price competition, empowering consumers to choose their electricity provider.

If CEC gathers enough qualified signatures to get the amendment on the

FLORIDA ELECTRICITY, P. 6

Environmental Protection Agency Touts Continued Air Quality Progress

By Bonner R. Cohen

With the unemployment rate in the United States at its lowest in more than 50 years and the U.S. economy continuing to expand despite a global slowdown, America’s air quality has become the envy of the world, the U.S. Environmental Protection Agency (EPA) states in its annual report on air quality.

Clearing the Air
The EPA announced nationwide concentrations of all measured air pollutants have dropped dramatically. From 1970 and 2018, the combined emissions of six key pollutants dropped by 74 percent, EPA reports.

AIR QUALITY, P. 8

TRUMP ADMIN. BLOCKS OBAMA CAFE FINES
Saying the fines would serve no good purpose, the National Highway Traffic Safety Administration blocked fines automakers were due to pay for not meeting fuel economy standards. — P. 3

FERC APPROVES NEW LNG TERMINAL
The Federal Energy Regulatory Commission approved a new liquefied natural gas export terminal in Mississippi. — P. 15

Heartland.org/EnvironmentAndClimateNews

Vol. 22 No. 8 September 2019
The Heartland Institute’s 35th Anniversary Benefit Dinner

Featuring Keynote Speaker

Glenn Beck
talk radio pioneer, founder of TheBlaze, and author of more than 10 New York Times best-selling books

Topic: Stopping Socialism, Increasing Freedom!

Date: Friday, October 4, 2019

Location: The Cotillion
360 South Creekside Drive
Palatine, Illinois 60074

Time: 5:30 p.m. to 9:00 p.m.

To RSVP, call Wanda Davis at 312/377-4000 or email wdavis@heartland.org. For more information about tickets or table prices, please visit Heartland.org.
**Trump Freezes Fines for Missing Obama-Era Fuel-Efficiency Standards**

By Bonner R. Cohen

The Trump administration has decided to freeze the cost of fines automakers must pay for missing increased Corporate Average Fuel Economy (CAFE) standards imposed by the National Highway Traffic and Safety Administration (NHTSA) in 2016, then under the control of President Barack Obama.

In 2015, Congress passed legislation ordering federal agencies to adjust a wide range of civil penalties to account for inflation. The Obama administration responded by more than doubling the fines on automakers for violating CAFE fuel economy standards, raising them from $5.50 to $14 for every 0.1 mile per gallon each new car and truck exceeds national fuel-efficiency standards. Nearly simultaneously, the Obama administration imposed an accelerated timeline for steep fuel economy increases on automakers.

The Trump administration put the Obama-era fines on hold in 2017 and initiated in August 2018 a formal rule-making to permanently suspend the increase in fines for missing federal CAFE standards.

After nearly a year of public input, NHTSA issued a final rule on July 12 freezing the fines at previous levels. NHTSA estimated the freeze would save automakers almost $1 billion per year.

**States Challenge Freeze**

As has become common when environmental regulations are changed, the Trump administration’s freeze is now the subject of litigation.

A coalition of 12 states and the District of Columbia, led by the attorneys general (AG) of California and New York, filed suit in the Second Circuit Court of Appeals on August 5, challenging the administration’s freeze on CAFE fines.

The AGs claim, among other things, NHTSA violated the 2015 Federal Civil Penalties Adjustment Act by freezing the fines and inaccurately interpreting its “statutory obligations,” in the words of the complaint. The plaintiffs also allege NHTSA’s rule is “based on inaccurate assumptions of the economic impact of the inflation-adjusted penalties.”

**No Separate Deal**

Meanwhile, the Trump administration is finalizing its revisions to the 2012 Obama CAFE standard increases.

The Obama administration increased fleet-wide fuel-efficiency standards to an average of 46.7 miles per gallon by 2026. In 2018, the Trump administration proposed freezing the standards at 37 mpg and stripping California of its power to impose its own, stricter, statewide tailpipe emissions standards.

In 2009, the Obama administration authorized California to set its own standards, allowing other states to opt into the California program.

In addition, the White House has announced it will fight a new agreement between California and a handful of automakers seen as a compromise between stringent Obama-era CAFE standards and a more relaxed proposal favored by the Trump administration.

“The federal government, not a single state, should set this standard,” John Deere, special assistant to President Donald Trump, said in a statement. “We are moving forward to finalize a rule for the benefit of all Americans.”

**Dangerous ‘Social Engineering’**

CAFE standard increases were among the worst regulatory changes during Barack Obama’s years as president, says Jay Lehr, a senior policy analyst with the International Climate Science Coalition.

“Fewer Obama regulations were dumber than making CAFE standards tighter and imposing steeper fines,” Lehr said. “People do not want lightweight, unsafe cars, and CAFE standards make our cars less safe in the name of combating manmade climate change, which has been a fraud from the outset. Trump is righting another Obama wrong.”

The tightened CAFE standards weren’t about saving fuel; they were about government controlling how people travel, says Craig Rucker, president of the Committee for a Constructive Tomorrow (CFACT).

“The only purpose realistically served by tightening CAFE standards and raising fines was to distort the automobile market in favor of electric vehicles,” Rucker said. “Think of it as social engineering through mandated industrial policy.”

Bonner R. Cohen, Ph.D. (bcohen@nationalcenter.org) is a senior fellow at the National Center for Public Policy Research and a senior policy analyst with CF ACT.
In a setback for environmental groups trying to restrict mining in the United States, the U.S. Court of Appeals for the District of Columbia affirmed a decision by the U.S. Environmental Protection Agency (EPA) not to impose new national financial assurance requirements on the hardrock mining industry.

Hardrock mining refers to the underground extraction of hard minerals containing valuable metals such as copper, gold, iron, silver, tin, and zinc.

The case, Idaho Conservation League et al. v. Wheeler, stems from a December 2017 EPA decision not to impose additional financial assurance obligations on the industry under the 1980 Comprehensive Environmental Response, Compensation, and Liability Act, also known as Superfund.

The Idaho Conservation League, Earthjustice, and other activist groups filed a lawsuit challenging EPA’s decision. Judge Karen Henderson, writing on July 19 for a unanimous three-judge panel of the D.C. Circuit Court, concluded environmental groups had misinterpreted the statute.

Concerns about abandoned mine sites do not “undermine the reasonableness of the EPA’s decision not to promulgate additional financial responsibility requirements for the entire hardrock mining industry,” Henderson wrote.

Reverses Obama Policy
In many respects, the case reflects the transformation at the EPA from the administration of President Barack Obama to that of President Donald Trump. Environmentalists have long sought to mandate strict national financial assurance requirements on a range of industries whose activities could conceivably cause environmental harm, and in a settlement reached during the Obama administration, EPA agreed to consider financial assurance requirements across a broad range of industries, beginning with hardrock mining.

Trump’s first EPA administrator, Scott Pruitt, reversed course in 2018, saying the requirements were “unnecessary” and “would impose an undue burden on this important sector of the American economy and rural America.” Pruitt’s successor, Andrew Wheeler, requested the Justice Department defend this finding in the court case.

The Appeals Court ruled EPA’s decision not to impose national financial responsibility requirements on the hardrock mining industry was reasonable.

“We defer to the EPA’s interpretation that it should set financial assurance regulations based on financial risks, not risks to health and the environment,” Henderson’s decision stated.

‘EPA Used Common Sense’
Because other state and federal laws already require mines to be financially capable of covering potential liabilities, additional federal requirements are unnecessary, says Hal Quinn, president of the National Mining Association.

“We welcome the court’s decision that hardrock mines are already subject to significant financial assurance requirements under other federal and state laws,” said Quinn in a press statement. “EPA used common sense in its final determination, and we are pleased the court found the agency’s reasoning compelling.”

Superfund already imposes unjustified financial burdens on too many industries, and adding the hardrock mining industry to the government’s hit list would have been bad for the economy, says Craig Rucker, president of the Committee for a Constructive Tomorrow (CFACT).

“Superfund law is onerous enough as it is,” said Rucker. “Adding completely unnecessary financial liability requirements, as the plaintiffs sought, would have hamstrung an industry absolutely essential to the nation’s future.”

Bonner R. Cohen, Ph.D. (bcohen@nationalcenter.org) is a senior fellow at the National Center for Public Policy Research and a senior policy analyst with CFACT.
Missouri Supreme Court Upholds Farmers’ Expanded Participation on Clean Water Commission

By Duggan Flanakin

The Missouri Supreme Court refused to overturn a law allowing the replacement of representatives from environmental groups on the Missouri Clean Water Commission (MCWC) with representatives from the farming and mining communities.

Commission Representation Challenged

In 2015, the MCWC revoked a permit for construction of a hog farm that would have created local jobs and generated approximately 90 tons of manure annually. The vote was largely swayed by environmental lobbyists serving as “public” members of the commission.

After that vote, the definition of a “public member” came into question. At that point, the seven-member commission was not required to have any members representing the agriculture or mining industries and could not legally have more than two representatives in total from those industries. A third slot on the commission was reserved for a representative of wastewater treatment facilities, and the remaining slots were reserved for representatives of the public—who at that time were all environmental activist lobbyists.

The Missouri Farm Bureau persuaded the state legislature that MCWC’s “public” representatives lacked the expertise needed to serve on the commission, despite being appointed by the governor and approved by the state Senate. The bureau said the representatives held a bias against the farming industry and could not make good decisions about the industry’s impact on state waterways.

The Missouri legislature then added a provision endorsed by the Farm Bureau to an existing wastewater regulation bill, House Bill 1713, to allow more farming and mining representatives to be appointed to the MCWC. In addition, the new bill stated at least two members from the agriculture and/or mining industries must be on the MCWC. The amended bill passed both the House and the Senate, and when former Gov. Jay Nixon vetoed the bill in late 2016, the legislature overrode his veto, making the bill law.

Former Gov. Eric Greitens then appointed three representatives of farming interests to the commission, and Gov. Mike Parson subsequently added another farmer to the MCWC in 2018. As a result, four of the five active Commission members are farmers or represent farmers, with two other seats vacant.

Legality Challenge Fails

MCE sued to overturn the law, arguing the MCWC provision violated a state law requiring bills to be limited to a single subject.

A Missouri circuit court tossed MCE’s lawsuit on the grounds the coalition could not prove it had a legal interest in the case. The court also said the new law did not violate the state’s single subject clause.

The state Supreme Court concurred with the lower court’s ruling.

“The circuit court correctly dismissed the petition because the coalition has not demonstrated it has standing to sue. In addition, the court ruled there is no reason to assume the new composition of the board will be less favorable to the public’s interest in clean water.”

ERIC BOHL
DIRECTOR OF PUBLIC AFFAIRS AND ADVOCACY
MISSOURI FARM BUREAU

Expects Better Decisions

The expertise and experience additional farm representatives will bring to the commission should ensure better decisions, says Eric Bohl, director of public affairs and advocacy at the Missouri Farm Bureau.

“The Missouri Farm Bureau was pleased but not surprised by the decision,” Bohl said. “The knowledge that working farmers bring to the commission is valuable, and the environmental ethic we share is necessary.

“Nobody is more embarrassed than farmers when someone in our industry fails in our shared responsibility to do the right thing on our farms and ranches, and the farmers serving on the commission are public-spirited citizens who take their responsibilities to the environment seriously,” Bohl said.

Duggan Flanakin (dflanakin@gmail.com) writes from Austin, Texas.

Get your copy of Climate Change Reconsidered II: Fossil Fuels

Climate Change Reconsidered II: Fossil Fuels is the latest volume in the Climate Change Reconsidered series – now 5,000 pages of peer-reviewed science that shows humans are NOT causing a climate crisis.
Proposed State Amendment Would Bring Competition to Florida’s Electricity Market

Continued from page 1

ballot and it is adopted, Florida will become the first state in 20 years to restructure its electric power markets.

**Ending Monopoly Power**

Florida’s electric power system is currently a regulated monopoly. Four large electric companies provide power by region: Central Florida is served by Duke Energy, the east coast gets electricity from Florida Power and Light, the west coast is served by Tampa Electric, and the panhandle is served by Gulf Power.

Utility monopolies are often inefficient and slow to adopt innovations, says Kenny Stein, director of policy for the Institute for Energy Research.

“Under a regulated vertical monopoly, utilities are extremely conservative in what they build or do, because they are bound to regulators who are politically scared of change, and because their business model does not reward newer processes or efficiencies,” Stein said. “They make their money by building things and charging customers for the costs of construction plus a regulator-approved rate of return.

“There are no economic incentives for them to deliver electricity more cheaply, more efficiently, or in new, forward-looking ways,” Stein said.

**Forcing the Legislature’s Hand**

The proposed amendment would not directly change the structure of the state’s electricity market. Instead, it would direct the state legislature to pass laws establishing an open and competitive market by June 1, 2025.

As specified in the proposed amendment, such provisions would include promoting competition, protecting against service disconnections, prohibiting monopolies and exclusive franchises, establishing an independent market monitor, and limiting investor-owned electric utilities to construction, operation, and system repair.

CEC says the goal of the amendment is to make both wholesale and retail electricity markets fully competitive, providing customers with meaningful choices among a variety of competing electricity providers.

**Saving Ratepayers Money**

Introduction of competition should save Floridians money, CEC’s website states.

“Florida has the second-highest electricity usage in the country, so it can be a major expense for homes and businesses alike,” CEC said on its website. “But of America’s seven largest states, Florida is the only one that doesn’t allow consumers to choose their own electricity providers.”

CEC says residents and businesses in Florida could save more than $5 billion in energy costs each year if the measure is adopted. Those cost savings will accrue over time, says Stein.

“Initially, there will probably not be much noticeable change,” Stein said. “There might be slightly higher prices at the beginning of a transition just because there are costs to reorganizing the system.

“Longer-term, though, we would expect lower prices overall than under a vertical monopoly system, due to the downward pressure of consumer demand for lower prices and incentives for innovation which can lead to cheaper or more efficient processes,” Stein said.

**Economic Ripple Effects**

Florida’s weather conditions make electricity a critical part of people’s living expenses, says Tim Benson, a policy analyst at The Heartland Institute, which publishes Environment & Climate News.

“Because of the climate, Floridians use a lot of electricity, so it is important electricity prices remain as cheap as possible in the Sunshine State,” Benson said. “Consumer choice could help those prices remain cheap, as competition helps keep prices lower.

“Natural-gas customers of investor-owned utilities already have had the option of choosing their suppliers since 1996, and it has saved them billions of dollars,” Benson said. “Florida should do the same for all electricity consumers, which would save people money, not just on their electricity bills but on all goods and services, since energy is also a driver of those costs.”

**Multiple Legal Challenges**

Powerful opponents of the proposed amendment have filed 13 legal briefs with the Florida Supreme Court, attempting to prevent the proposal from reaching the ballot.

Among those suing to block the proposed amendment are Attorney General Ashley Moody, Florida’s Senate and House of Representatives, the Florida Chamber of Commerce, and the state’s four major electric companies.

Moody, a Republican, argues the state Supreme Court should keep the proposal off the ballot because it is so complex that voters will not be able to understand its true meaning and ramifications.

Vivian E. Jones (vivianejones@aol.com) writes from Murfreesboro, Tennessee.

“Natural-gas customers of investor-owned utilities already have had the option of choosing their suppliers since 1996, and it has saved them billions of dollars,” Benson said. “Florida should do the same for all electricity consumers, which would save people money, not just on their electricity bills but on all goods and services, since energy is also a driver of those costs.”

**Hard Slog**

Proponents of the market-opening amendment face an uphill climb.

Getting the initiative placed on the ballot requires 766,200 qualified signatures. The group must submit the petition to the Florida Division of Elections with the signatures by February 1, 2020.

As of mid-July, CEC had gathered more than 300,000 signatures.

Under Florida’s constitution, once an initiative reaches the ballot, it must be approved by at least 60 percent of the votes cast statewide for it to be adopted.
Legislators:

Make Us Your New Legislative Aide!

Join Heartland’s Legislative Forum today and stay on top of the latest research and policy solutions.

Why Join?
Simply, The Heartland Institute delivers what elected officials need. Busy elected officials have little or no staff and need a reliable source of research and commentary on the most important public policy issues of the day. For decades Heartland has been that resource.

Benefits of membership include:
• Travel scholarships to Heartland’s Emerging Issues Forum
• Priority access to your very own free-market think tank
• Bringing experts to your state
• Invitations to Legislative Forum members-only events
• Complimentary copies of Heartland Policy Studies and books

Membership is limited to current elected officials and costs just $99 for a lifetime membership. As a lifetime member, you will enjoy the great benefits the Legislative Forum offers for your entire time in office, as well as alumni benefits thereafter.

Visit heartland.org/sign-forum to sign up.

For more information, please call 312/377-4000 and ask for a member of the government relations team.

“Heartland’s research and advocacy for science-based policies that improve people’s lives have been very helpful to me and my colleagues.”

REPRESENTATIVE ISAAC LATTERELL
SOUTH DAKOTA
Environmental Protection Agency Touts Continued Air Quality Progress

Continued from page 1

Among the pollutants and air toxins EPA is charged with monitoring and ensuring are reduced to levels safe for human health and the environment, between 1990 and 2018 carbon monoxide (CO) declined 74 percent; coarse particulate matter (PM 10) decreased by 26 percent; fine particulate matter (PM 2.5), measured since 2000, dropped by 39 percent; lead, which declined sharply before 1990 when leaded gasoline was banned, was reduced even further, down 82 percent since 2010; nitrogen dioxide (NO2) levels have declined 57 percent; ozone (O3) concentrations have been reduced by 21 percent; and sulfur dioxide (SO2) in the air has decreased by 89 percent.

Better Economy, Air Quality

Even as the atmospheric concentrations of regulated air pollutants fell sharply, the U.S. economy grew by 275 percent since 1970, EPA's report notes. "Americans drove more miles, and population and energy use increased," the agency's report said.

The United States added 465,000 factory jobs during the first two years of the Trump administration. This boost in industrial activity would normally be expected to be accompanied by rising emissions. But EPA data shows that isn't happening.

EPA reports concentrations of regulated air pollutants have continued to decline since President Donald Trump took office. From 2016 to 2018, CO concentrations fell by 7.2 percent, PM 10 declined 1.2 percent, PM 2.5 fell 1.9 percent, NOx dropped 8.7 percent, and volatile organic compounds (VOCs) levels declined 3.3 percent.

“One of America’s great but untold environmental success stories is that we have made—and continue to make—great improvements in our air quality, thanks largely to state and federal implementation of the Clean Air Act and innovation in the private sector,” said EPA Administrator Andrew Wheeler in a statement announcing the release of agency’s air quality report. “Emissions of all key air pollutants dropped between 2016 and 2018, and lead and sulfur dioxide concentrations dropped by double-digit percentages during the same period.

“The U.S. is a global leader in clean air progress, and we’ve proven that we can protect the environment while growing our economy,” Wheeler said.

Cities, States Getting Cleaner

EPA data shows a steady decline in the number of cities and regions violating national ambient air quality standards. "Through successful state-led implementation, numerous areas across the country are showing improvement and fewer areas are in nonattainment,” EPA’s report says. “Since 2010, there were no violations of the standards for CO and NO2.”

Economic progress is compatible with environmental quality, says David Wojick, Ph.D., a senior policy analyst with the Committee for a Constructive Tomorrow (CFACT).

“Clean air and prosperity go hand in hand,” Wojick said. “We should be celebrating, rather than nonsensically trying to control global carbon dioxide levels we did not create and that do not endanger us.”

‘About Political Power’

Activists and politicians pushing for ever-stricter emission limits are focused on wielding political power, not protecting public health, says Dan Kish, a distinguished senior fellow at the Institute for Energy Research.

“We’ve fixed the real environmental problems, and our air is cleaner than ever before, even while our economy has boomed,” Kish said. “But since it hasn’t stopped economic progress, capitalism, or our constitutional republic, many living off gloom and doom are unsatisfied. That’s because it’s never been about the environment or energy for them. It has always been about political power.”

DAN KISH
SENIOR FELLOW
INSTITUTE FOR ENERGY RESEARCH

“The New Chicago Way
Lessons from Other Big Cities

Ed Bachrach and Austin Berg

"If more intelligent, articulate citizens like Ed Bachrach and Austin Berg would take the time and make the effort to understand and publicize the fiscal realities, we would at least have a chance of finding real public support for solutions. This book is an urgent plea for change.”—Richard Ravitch, former lieutenant governor of New York

“The New Chicago Way reveals how serious Chicago’s government problems are and how they are related to each other. More important, it provides a comprehensive solution to these problems.”—Dick Simpson, author of The Good Fight: Life Lessons from a Chicago Progressive

“A REVOLUTIONARY BLUEPRINT FOR FIXING CHICAGO’S BROKEN GOVERNMENT

Available Now
Ordering: (800) 621-2736 • www.siupress.com/newchicagoway

WE’VE FIXED THE REAL ENVIRONMENTAL PROBLEMS, AND OUR AIR IS CLEANER THAN EVER BEFORE, EVEN WHILE OUR ECONOMY HAS BOOMED. BUT SINCE IT HASN’T STOPPED ECONOMIC PROGRESS, CAPITALISM, OR OUR CONSTITUTIONAL REPUBLIC, MANY LIVING OFF GLOOM AND DOOM ARE UNSATISFIED. THAT’S BECAUSE IT’S NEVER BEEN ABOUT THE ENVIRONMENT OR ENERGY FOR THEM. IT HAS ALWAYS BEEN ABOUT POLITICAL POWER.”

DAN KISH
SENIOR FELLOW
INSTITUTE FOR ENERGY RESEARCH

"We’ve fixed the real environmental problems, and our air is cleaner than ever before, even while our economy has boomed," Kish said. “But since it hasn’t stopped economic progress, capitalism, or our constitutional republic, many living off gloom and doom are unsatisfied. That’s because it’s never been about the environment or energy for them. It has always been about political power.”

The EPA’s report notes air emissions come from a variety of sources, both stationary and mobile. Among the stationary sources of air emissions are power-generating facilities such as electric utilities and industrial boilers, and industrial and commercial facilities such as cement kilns, drycleaners, metal smelters, and petroleum refineries.

Non-stationary sources of regulated air pollutants include road and non-road sources of mobile emissions such as passenger and commercial vehicles (including airplanes, trains, and trucks), marine vessels, and recreational, construction, and farm equipment.

Bonner R. Cohen, Ph.D. (bcohen@nationalcenter.org) is a senior fellow at the National Center for Public Policy Research and a senior policy analyst with CFAC.T.
Idaho Reforms Laws to Encourage and Protect Mining

By Duggan Flanakin

In an effort to ensure the continued viability and profitability of Idaho’s economically critical mining industry, state lawmakers and policymakers recently enacted the first major changes to the state’s mining law in 50 years.

Some of the new requirements took effect on August 1, and the Idaho Department of Lands is working on additional changes to its rules to implement statutory changes adopted by the legislature this year.

The agency will seek public comments before bringing the final revisions to lawmakers for their approval in the 2020 legislative session.

The changes affect the guarantees mining companies must provide to ensure sites are reclaimed after extraction concludes and add a new class of mines to those requiring remediation or reclamation.

Adding Assurance Options

The new law expands the types of financial arrangements that qualify as proof a mining operation has the funds necessary to cover its clean-up and potential disaster liabilities, which should make it easier for mining companies to get financing, says Fred Birnbaum, vice president of the Idaho Freedom Foundation.

“The new law expands financial assurance for mining operations beyond the existing bond requirement to include a surety bond, a corporate guarantee, a letter of credit, a certificate of deposit, or a trust fund,” Birnbaum said. “These changes will provide companies with greater flexibility while maintaining assurances to the state there will be monies to pay for reclamation efforts and mitigate environmental impacts from mining and related activities.

Freeing Up Resources

Another change to Idaho’s mining law allows companies to reclaim money in steps as they complete their reclamation requirements, Birnbaum says. If the Idaho Land Board determines a company has completed a portion of the requirements properly, it will reduce the financial assurance required by the amount completed.

“This would allow companies to receive portions of their financial assurance back as they make progress, rather than having to wait until the very end to obtain their complete bond back,” Birnbaum said.

The new law increases bond requirements for larger mines and mine facilities using cyanide in their operations. The previous caps of $15,000 per acre and $5 million per facility will apply only to mines affecting fewer than five acres. Larger mines will now have to provide financial assurance in an amount “based on the estimated reasonable costs of completing reclamation.”

In addition, the mining law revisions apply to underground mines the same responsibility for reclamation for their impact on the surface as applies to surface mines. These provisions will not require underground mines to fill, reclaim, or refill underground shafts, tunnels, or other underground facilities.

Averting Federal Intrusion

Although many of the changes Idaho is making to its mining laws reflect mining practices that are already the norm in the industry, the changes also offer important legal protections, says Benjamin Davenport, executive vice president of the Idaho Mining Association.

“Many of the changes reflect industry and regulatory practices that have evolved with modern-day mining but had not been reflected in statute,” Davenport said. “The larger issue, though, is continuing threats from federal litigation, federal regulators, and groups opposed to mining who might have used Idaho’s outdated legal structure as a wedge to force unwanted changes on the Idaho mining community.

“It is important for our statute to match current standards using best management practices so it is defensible both in perception as well as from legal challenges,” Davenport said. “The statutory changes attempt to address those threats by creating an Idaho standard that works for industry while protecting the taxpayers from potential liabilities.”

Protecting Taxpayers, Miners, Land

The new law protects taxpayers and mining companies alike, says Davenport.

“By moving to an actual cost estimation tool in Idaho, rather than a set dollar amount per acre, we have provided more certainty that taxpayers won’t be left with a liability, matched current industry practices, and matched what relevant federal agencies already require,” Davenport said.

“The 30-year post-closure management plans also reflect industry standards and protect the taxpayer in the event there are long-term management needs after a plan of operations is completed,” Davenport said.

Changes: Obama to Trump

During Barack Obama’s presidency, the federal government began to encroach on states’ mining authority, citing perceived gaps in state regulation, says Davenport.

“In the final month of the Obama administration, the U.S. Environmental Protection Agency (EPA) proposed a new financial assurance rule that would have been detrimental to the mining industry nationwide,” Davenport said. “Under those rules, only large, multinational corporations would have had the financial resources to finance mine construction, operation, and closure.

“Fast-forward one year, and EPA under the Trump administration decided not to proceed with the rule changes, after concluding most states and other federal agencies already adequately addressed financial assurance for mines and could do a better job of regulating industry than EPA,” Davenport said.

Davenport says Idaho’s legislature and regulators identified gaps in in state mining regulations, including the surface impacts of underground mines, long-term post-closure management, and actual cost estimation for reclamation work, virtually forcing them to update their ancient mining laws to protect the industry’s continued viability.

“It was important for Idaho to close these perceived gaps going forward,” Davenport said.

Duggan Flanakin (dflanakin@gmail.com) writes from Austin, Texas.
A task force of the American Legislative Exchange Council (ALEC) rejected a proposed resolution calling for the “pursuit of American Clean Energy Policy” at ALEC’s 2019 Annual Meeting.

Some non-legislator members of ALEC’s Energy, Environment, and Agriculture (EEA) task force offered a model resolution titled “Resolution Supporting Freedom in Energy Policy,” purportedly designed to “position the United States as a global leader in clean energy.”

The sponsors were attempting to gain conservative legislators’ support for action to reduce carbon dioxide emissions to fight climate change.

Promoting ‘American Clean Energy’

The resolution lauded the growth in wind and solar energy and electric vehicle production in the United States, which has been driven almost entirely by government subsidies and state renewable energy mandates. It went on to call for “The pursuit of American Clean Energy … [that] achieve[s] further emissions reductions” and for laws and policies to “position the United States as a global leader in clean energy, driving global investment in American-made clean energy technologies” and “to invest in, procure, and implement clean energy technologies; and take voluntary measures to reduce greenhouse gas emissions.”

Concerned that government promotion of so-called clean energy ultimately means limiting the use of abundant, relatively inexpensive, domestic supplies of coal, oil, and even natural gas, because they all emit carbon dioxide as a byproduct of combustion, not a single ALEC legislator voiced support for the proposed resolution in deliberations leading up to a proposed vote.

No public policy organizations in attendance voiced support for the resolution, either.

With no support among legislators or policy analysts, the EEA chair tabled the resolution.

Sees False Narrative

The resolution offered at the meeting did not present a free-market alternative to the Green New Deal, says Research Fellow Bette Grande, who represented The Heartland Institute at the ALEC meetings, held August 14 through August 16 in Austin, Texas.

“Claiming some restrictions on energy choices and energy affordability are ‘free market’ because they are not quite as extreme or restrictive as the Green New Deal is like claiming Obamacare is ‘free market’ because it is not quite as extreme or restrictive as single-payer government-run healthcare,” Grande said. “Some proposals to reduce carbon dioxide emissions may be worse than others, but they are all big-government, expensive, anti-conservative restrictions on peoples’ energy choices.

“The environmental Left and their media allies are increasingly pushing a narrative that Republicans are increasingly supporting ‘conservative’ restrictions on energy sources to address a claimed global warming crisis,” said Grande. “In reality, very few Republican members of Congress have voiced support for such restrictions, and the failure of the proposed ALEC resolution demonstrates they are getting virtually no traction with their fellow Republican state legislators or their conservative base.”

ALEC brings together state legislators from the 50 states. Its stated guiding principles are free markets, limited government, and federalism. At ALEC meetings, legislators vote on proposed resolutions and model legislation in compliance with ALEC’s conservative guiding principles.

State legislators often take resolutions or model bills adopted by ALEC and mold them into state-specific legislation which they offer in their respective legislatures.

James Taylor (jtaylor@heartland.org) is a senior fellow with The Heartland Institute.
Colorado Expands Hunting and Fishing Opportunities on State Lands

By H. Sterling Burnett

Colorado’s Parks and Wildlife Commission is opening 100,000 additional acres of state trust lands to hunters and anglers, beginning this fall.

The move is the first step in a multiyear plan to more than double the amount of state trust lands open to outdoor sportsmen and -women, to a total of about one million acres.

Colorado has approximately three million acres of state public trust lands, of which less than one-fifth is currently open to the public for recreation.

Reversing the Trend
The number of licensed hunters and anglers in the state has been decreasing, with lack of access to areas to hunt and fish being one of the main reasons people give for abandoning these sports, the report states.

In part to reverse that trend, the Colorado Parks and Wildlife Commission voted unanimously in mid-July to add 100,000 acres to the 480,000 acres currently open to hunting and fishing in the state.

A 2018 state report showed hunting and fishing contribute about $5 billion per year to the Colorado economy, and those funds are especially critical in rural areas.

Nationally, outdoor recreation supports millions of jobs and generates about $887 billion in spending annually, the Outdoor Industry Association reports.

Hunters, Anglers Fund Conservation
Opening lands to hunters and anglers helps preserve the environment, says Anthony Fabian, president of the Colorado State Shooting Association.

“No one, single group in Colorado has contributed more to conservation of wildlife and habitat than its sportsmen and sportswomen,” Fabian said. “Unrestricted public access to public open space, and the expansion thereof, for fishing and hunting is vital to the enjoyment of our outdoor sports here in Colorado.”

Sportsmen and -women are the primary funders of conservation efforts, says David Lien, co-chairman of Colorado Backcountry Hunters & Anglers.

“Hunting license fees pay for the majority of wildlife conservation programs in the United States, including those protecting non-hunted animals,” Lien said.

The taxes paid on purchases of hunting and fishing equipment and licenses and state fees fund most of Colorado’s habitat protection and wildlife conservation efforts, a report by the Outdoor Industry Association states.

Good for People, Wildlife
The public should never have been denied access to these lands, says Amy Oliver Cooke, executive vice president of the Independence Institute and a policy advisor to The Heartland Institute, which publishes Environment & Climate News.

“It’s unconscionable the state government has denied Coloradans access to their own land,” Cooke said. “This is a long-overdue first step, yet still more needs to be done. More acreage needs to be made available, which will open up additional recreational and economic opportunities.


Stingy About Access
Colorado’s public lands shouldn’t be the exclusive domain of the wealthy but instead be available to everyone who contributes to their purchase and upkeep, says Lien.

“The state of Colorado currently provides public hunting and fishing access on a mere 16 percent of its state trust lands, or approximately 500,000 of three million acres, representing the lowest level of public access offered on state lands in any state in the West,” Lien said. “Of the other 84 percent, much of the best hunting and fishing is leased to the highest bidder for exclusive recreational access, locking out most sportmen and sportswomen.

“As hunting and fishing access is increasingly controlled by the wealthy and well-connected, public access only becomes more important, since lack of public access is the No. 1 reason hunters cite for giving up their sporting traditions,” Lien said.

Mutual Benefits
Lien says increasing the numbers of hunters and anglers is the best way to ensure healthy wildlife populations, and that requires expanding the public’s access to Colorado’s state lands.

“Expanding the public access to Colorado’s state lands is a great way to support new hunters, grow our rural economies, help fund conservation, and ensure all Colorado hunters and anglers have a place to hunt and fish,” Lien said. “For years the Colorado chapter of Backcountry Hunters & Anglers has been a leading voice in advocating for improved access to state trust lands in Colorado.

“Thanks in part to our efforts, we’ll have access to an additional 500,000 acres in the coming years, with 100,000 acres this year alone,” Lien said. “This is a win-win for hunters, for state trust beneficiaries—schoolchildren in Colorado—for rural economies where increased visitation will help support local businesses, and for wildlife and wildlands.”

Increasing Outdoor Access
Opening additional state trust lands to hunting, fishing, and other types of outdoor recreation is part of Colorado’s ongoing efforts to encourage residents to experience and enjoy the outdoors, which it hopes will lead to expanded public support for the state’s conservation efforts, said Dan Gibbs, executive director of the Colorado Department of Natural Resources, in a press statement.

“I congratulate the Parks and Wildlife Commission and the State Land Board for expanding access to Colorado state lands,” Gibbs said. “The expansion of the Public Access Program passed by CPW today and the State Land Board earlier this month will grow the program by more than 20 percent to 585,000 acres over the next year.

“Colorado is a growing state with increased demand for recreation, hunting, and angling throughout Colorado,” Gibbs said. “In the coming years, Gov. Polis and the Department of Natural Resources will continue to seek additional access opportunities to encourage Coloradans to experience, explore, and enjoy the outdoors.”

H. Sterling Burnett, Ph.D. (hsburnet@heartland.org) is a research fellow at The Heartland Institute.
Defending Climate and Energy Realism in Minnesota

Editor’s Note: State Rep. Glenn Gruenhagen (R-Glencoe), a U.S. Marine Corps veteran, is serving his fifth term in Minnesota’s House of Representatives. Gruenhagen serves on the Long-Term Care Division, Education Policy, and Health and Human Services Finance Division Committees.

By H. Sterling Burnett

Burnett: You recently wrote a piece for the Hutchinson Leader in which you cite research in The Heartland Institute book Why Scientists Disagree about Global Warming to argue scientists should reject the Green New Deal. What facts did you find particularly persuasive in the book?

Gruenhagen: I thought the entire book was informative, exposing the lies, deceit, and exaggerated “evidence” for so-called climate change. I really appreciated the debunking of the claim “97 percent of scientists agree humans are causing climate change.”

The book was understandable for laypersons and was extremely helpful for me as a legislator to educate my fellow representatives in both the Democratic-Farmer-Labor (DFL) party and GOP. I have handed out more than a hundred copies of the book. This book informed my response to editorials in local papers which were promoting global warming alarmism or climate change propaganda. For example, here is an excerpt of an editorial I wrote that was published in several local newspapers in Minnesota:

“It is important for the public to understand that the debate on alternative energy has scientists and experts on both sides of the issue. …

“If you take the time to research the energy issue you will find that modern technology has made it possible to provide environmentally friendly baseload electricity—[Ed.: baseload power is the minimum level of supply needed to keep the electric power grid functioning properly, from power plants that provide consistent power supplies]—using natural gas, clean coal, nuclear, and hydro at ‘penny cheap’ rates.

“Alternative energy mandates of wind and solar have already raised your electricity costs dramatically while doing nothing for the environment.

“The ‘Green (Greed) New Deal’ is based on government-mandated socialism and is the ‘ObamaCare of electricity costs.’ If you like your health insurance premiums you’re going to love the ‘Green New Deal’ electricity rates!”

Burnett: Do you think President Donald Trump was right to withdraw the United States from the Paris climate accord?

Gruenhagen: Thank God President Trump removed the United States from the UN Paris climate agreement, which would have transferred $3 trillion to the UN and murderous foreign dictators at the expense of U.S. taxpayers. A June 2017 study by National Economic Research Associates indicated the Paris climate agreement would have resulted in 6.5 million lost jobs in the United States.

Burnett: Is Minnesota Gov. Tim Walz’s proposal to make Minnesota’s electricity sector 100 percent free of carbon dioxide emissions by 2050 a good idea?

Gruenhagen: Many Democrats in the U.S. Congress are promoting what they call the “Green New Deal.” This proposal is a package of policies that would remake the U.S. economy, costing trillions of dollars. Supporters hope to eliminate all U.S. carbon emissions, which is virtually impossible to achieve.

The plan is unrealistic and would severely damage America’s economy, resulting in unreliable and expensive energy production with no measurable help on the environment.

This past legislative session, some of the Green New Deal’s ideas made their way to St. Paul and were strongly supported by Gov. Walz and the DFL party in Minnesota’s House. One specific proposal was to make Minnesota’s electricity sector 100 percent free of carbon dioxide emissions by 2050.

A study released in March by the Center for the American Experiment found increasing Minnesota’s renewable energy mandate to only 50 percent by 2030 would cost the state’s residents and businesses $80.1 billion to meet this standard, while putting the reliability of Minnesota’s electrical grid at risk.

The Minneapolis Star Tribune reported during the stretch of minus-30-degree Fahrenheit temperatures this past winter, only 4 percent of electricity was being generated by alternative energy.

Gruenhagen: We can do better than DFL has proposed. Minnesota can have reliable, efficient energy production with no measurable raising energy costs on consumers and causing irreparable harm to our economy. Nuclear, hydroelectric, and clean coal can deliver environmentally friendly energy while lowering the cost of electricity.

The theory of human-caused global warming and the proposed changes to address its impact enrich the few at the expense of the many while doing little to nothing for the environment.

I will close with the words of Prime Minister Winston Churchill: “Socialism is the philosophy of failure, the creed of ignorance, the philosophy of envy. Its inherent virtue is the equal sharing of misery.” The Green New Deal is nothing more, nor less, than socialism.

I will oppose and not compromise with the disciples of the Green New Deal, which, if implemented by radical DFL liberals, will hurt our citizens, farms, and businesses and do nothing for the environment.

H. Sterling Burnett, Ph.D. (hsburnett@heartland.org) is a research fellow at The Heartland Institute.
USDA, BLM to Move Some Operations to Nation’s Heartland

By Duggan Flanakin

The U.S. Department of Agriculture (USDA) is moving its Economic Research Service and National Institute of Food and Agriculture (NIFA) to Kansas City, and the U.S. Department of Interior (DOI) is relocating the Bureau of Land Management headquarters to Grand Junction, Colorado.

Closer to the People

USDA and DOI say they are moving the headquarters to place them nearer to the majority of the people and lands they serve.

In a press statement announcing USDA’s action, Agriculture Secretary Sonny Perdue said a USDA cost-benefit analysis indicated the move will save the department nearly $300 million over 15 years.

“The [move to the] Kansas City Region will allow ERS and NIFA to increase efficiencies and effectiveness and bring important resources and manpower closer to all of our customers,” Perdue said. “We did not undertake these relocations lightly, and we are doing it to enhance long-term sustainability and success of these agencies. … The considerable taxpayer savings will allow us to be more efficient and improve our ability to retain more employees in the long run.

“We will be placing important USDA resources closer to many stakeholders, most of whom live and work far from Washington, D.C. [as well as] increasing the probability of attracting highly-qualified staff with training and interests in agriculture, many of whom come from land-grant universities,” Perdue said.

By the Numbers

USDA is moving 550 jobs to the Kansas City area. USDA reported 250 employees have said they would leave the agency rather than accept a transfer.

BLM’s relocation, though smaller in absolute numbers, represents a larger percentage shift of agency employees. Just 4 percent, or approximately 400, of BLM’s 10,000 employees are located in the Washington, D.C. area. When BLM’s relocation is complete, fewer than 65 BLM staff will work out of offices in Washington, D.C.

DOI is relocating 58 positions to BLM’s state office and national operations center in Lakewood, Colorado, and 27, including BLM’s director, to the new BLM headquarters in Grand Junction. An additional 222 positions are shifting from Washington, D.C. to offices in Arizona, Nevada, New Mexico, and Utah.

Location ‘Never Made Sense’

The BLM should always have been located in the western United States, says Sen. Cory Gardner (R-CO), who has long advocated moving the agency out of Washington, D.C.

“The federal government owns roughly 47 percent of this land out West … where 93 percent of the federal land is located,” Gardner said on the floor of the U.S. Senate on July 31. “The Bureau of Land Management is responsible for managing … 245 million acres [of] … federal surface lands. All but 100,000 acres of those surface acres … are west of the Mississippi River and located predominantly in the eleven westernmost states and Alaska.

“It’s never made sense for leadership to work 2,000 miles away from these states, insulated by the inevitably different perspectives of life inside the Beltway,” Gardner said. “When you don’t live in the communities that are among and surrounded by these lands, it’s easy to make decisions that close off energy development or close cattle ranches and grazing opportunities, because the consequences are felt out West instead of in Washington, D.C.”

‘Long Overdue’

The BLM’s relocation shows President Donald Trump keeps his word, says Amy Oliver Cooke, executive vice president for the Independence Institute and a policy advisor to The Heartland Institute, which publishes Environment & Climate News.

“The move out west is long overdue,” Cooke said. “Other administrations have paid lip service to moving BLM, but it took President Trump’s courage and Sen. Cory Gardner’s determination to defy the DC swamp and make it happen.

“When BLM bureaucrats will have to live and work with the people impacted by their decisions,” Cooke said.

Constitutional Dispute

Some members of Congress cast the relocation efforts as part of President Donald Trump’s attempt to “drain the swamp” in Washington, D.C., which he vowed to do during his campaign for the Presidency.

Critics of relocating federal agencies outside of the nation’s capital, such as House Majority Leader Steny Hoyer (D-MD) and Delegate Eleanor Holmes Norton (D-DC), say moving federal agencies without explicit congressional authorization violates various laws. They have threatened to take legal action to block the moves.

USDA says other laws, U.S. Supreme Court rulings, and determinations of the Government Accountability Office indicate provisions in laws limiting executive agencies’ ability to relocate in order to improve their operations are unconstitutional.

To settle the matter and avert prolonged legal disputes, Sen. Joni Ernst (R-IA) has introduced the Strategic Withdrawal of Agencies for Meaningful Placement (SWAMP) Act, which, among other things, would repeal a Truman-era statute specifying “all offices attached to the seat of government be exercised in the District of Columbia, and not elsewhere.”

“[The SWAMP Act aims to] distribute agency headquarters over geographically diverse areas of the nation to help ensure agencies focus on the stakeholders most impacted by their decisions, and not on the whims of the Washington bureaucracy, while also bringing good, stable jobs to new parts of the country,” Ernst said in her press release describing the bill.

May Best Location Win

Ernst’s legislation would create a competitive bidding process allowing states, cities, and towns across the country to compete to be an agency’s new home.

The SWAMP Act was referred to the Senate Committee on Homeland Security and Governmental Affairs on July 25, where it has yet to receive a hearing.

Perdue announced the USDA move on June 13, and DOI announced the BLM relocation in July.

Duggan Flanakin (dflanakin@gmail.com) writes from Austin, Texas.
New Ohio Energy Law Emphasizes Subsidies, Mandates

By Duggan Flanakin

Ohio Gov. Mike DeWine signed into law a bill legislators say will save Ohioans money on their power bills and ensure electric power reliability in the state.

The law provides subsidies to encourage companies not to close coal and nuclear power plants that supply much of the minimum baseload power necessary for reliable, proper operation of the electric power grid. The law also subsidizes six solar power facilities in rural areas, reduces the amount of electricity renewable energy sources in the state must provide, and puts a cap on subsidies unnecessary, the payments can be reduced or eliminated.

Coal, Nuclear, and Solar, Oh My!
Before the new energy law was passed on July 23, Ohio legislators had enacted a mandate requiring 12.5 percent of the electricity utilities provide come from renewable sources by 2027. Legislators also imposed a $4.39 monthly surcharge on residents’ electric bills to fund renewable facilities.

The new law caps Ohio’s renewable mandate at 8.5 percent in 2026, ending it thereafter. It also replaces the renewable surcharge with residential fees to subsidize the continued operation of four power plants in the state: up to $1.50 per month to subsidize two coal power plants and 85 cents per month to subsidize two nuclear power plants. The surcharges are slated to end in 2027.

Analysts estimate the 85-cent monthly surcharge will generate approximately $170 million per year. Most of the revenue ($150 million) will fund FirstEnergy Solutions’ Perry and Davis-Besse nuclear power plants, which provide 15 percent of Ohio’s electricity. The remaining $20 million will subsidize the operating costs of six existing solar power facilities located in rural areas.

Money or Closure
FirstEnergy had announced it would be forced to close its two nuclear power plants in 2020 and 2021 if they did not receive help from the government, because they were running annual losses of millions of dollars.

The coal surcharge is dedicated to funding continued operations at two 1950s-era coal power plants—one in Ohio and one in Indiana—that Ohio Valley Electric Corp. had slated for closure.

In addition to lower consumer costs and continued reliability, proponents of the law said it would prevent the loss of more than 4,300 jobs at the nuclear and coal power plants.

Days after the law was enacted, FirstEnergy announced its decision not to close its W.H. Sammis coal power plant, previously scheduled to shut down in 2022.

Although the Sammis plant does not benefit directly from the new energy law, FirstEnergy said the support given to its nuclear operations improved the company’s financial situation enough to keep Sammis operating.

Taxpayer Protections
To ensure ratepayers are not gouged, the law requires authorities to review the money provided to power plants annually to ensure the subsidies are still necessary. If auditors find the subsidies unnecessary, the payments can be reduced or eliminated.

The law also requires auditors to ensure subsidies only cover shortfalls and do not generate profits for the company.

Political Compromise
The energy bill was a mixed bag, says Robert Alt, president of The Buckeye Institute.

“Lawmakers wisely adopted two of the Buckeye Institute’s recommendations: reducing the surcharges utility customers will have to pay and requiring FirstEnergy to be audited,” Alt said. “On the other hand, lawmakers failed to implement two other wise recommendations we made: requiring an audit be completed prior to—rather than after—all subsidies are given to FirstEnergy, and completely eliminating the job-killing renewable energy standards.”

The law replaces one energy subsidy with another, says Peter Van Doren, a senior fellow at the Cato Institute.

“The legislation reduces the surcharge on existing customers by eliminating energy efficiency programs—a good outcome supported by sound economic research by economists at the University of Chicago,” Van Doren said. “However, the legislation didn’t zero out the surcharge. Instead, a new, lower surcharge is used to subsidize nukes and some solar.

“In return, renewable portfolio standards are eliminated after 2026,” Van Doren said. “This mixed compromise is probably what was possible given existing political realities.”

Corporate Welfare
Subsidies for politically connected companies are bad for the public, says Micah Derry, state director for the Ohio chapter of Americans for Prosperity (AFP).

“Lowering and eventually phasing out the renewable energy mandate is a far cry from the much-heralded boom wind and solar power backers were promising just a few years ago. Scaling back this false promise shows reality is beginning to dawn in the Buckeye State.”

“AFP objects to all corporate welfare that takes from the poor and middle class and gives to the well-connected,” Derry said. “Such programs erode public trust.”

The public’s trust in government is very low, and it gets even lower as lawmakers give additional favors to special interests, Derry says.

“Today, just 17 percent of Americans trust their government, meaning 83 percent believe the government is rigged to benefit the wealthy and well-connected,” Derry said. “Moreover, subsidies give the public the very correct impression government favors are for sale to the highest bidder or to partisan allies.”

Praises Renewables Phase-Out
The reduced support for renewables is a bright spot in an otherwise bad bill, says Bonner Cohen, a senior fellow with the National Center for Public Policy Research.

“Lowering and eventually phasing out the renewable energy mandate is a far cry from the much-heralded boom wind and solar power backers were promising just a few years ago,” Cohen said. “Scaling back this false promise shows reality is beginning to dawn in the Buckeye State.

“On the other hand, those unfortunate enough to be living near the subsidized solar arrays will join the growing number of people around the country who’ve seen their properties devalued and the surrounding countryside defaced by these monstrosities,” Cohen said.

Duggan Flanakin (dflanakin@gmail.com) writes from Austin, Texas.
By Kenneth Artz

The Federal Energy Regulatory Commission (FERC) approved a plan for Kinder Morgan’s $1.1 billion Gulf LNG liquefied natural gas (LNG) plant in Pascagoula, Mississippi to begin exporting natural gas upon completion of necessary alterations.

Kinder Morgan completed the Gulf LNG plant as an import terminal in 2011, but with record production of natural gas from U.S. shale as a result of fracking, the company filed a July 2015 application with FERC to develop part of the plant as an export terminal instead.

LNG Approval Trend

The Pascagoula plant is the fifth LNG export project FERC has approved in 2019, reducing a backlog of applications that developed when Barack Obama was president.

Developers are pushing to build even more new export terminals to accommodate the increased global demand for natural gas in the face of limited storage capacity for the large amounts of natural gas realized by the U.S. shale boom.

Upon completion, the Gulf LNG plant will be capable of exporting 1.53 billion cubic feet of natural gas per day. In addition to two liquefaction plants, the project will modify an existing Gulf LNG Pipeline to allow for bidirectional flow.

The Gulf LNG plant is good for America’s economy and its national security interests, said FERC Chairman Neil Chaterjee in a press release.

“This is big news for the United States and our allies,” said Chaterjee. “Today’s approval of #GulfLNG is significant for the economy and America’s geopolitical interests.”

‘Only Want Power’

FERC’s approval of the Gulf LNG export project came despite opposition from environmental activists claiming to be concerned about its impact on climate change.

Jay Lehr, Ph.D., a senior policy analyst with the International Climate Science Coalition, says Democrats’ efforts to derail the terminal show they are not really concerned about climate change.

“Democrats have attempted to kill the project over their supposed concerns about its climate impact, yet the climate does not benefit from blocking LNG projects,” said Lehr. “Humans aren’t causing climate change, but if you are concerned about greenhouse gases, the United States’ expanded use of natural gas has accompanied the largest decrease in greenhouse gas emissions of any nation in the world.

“For years, intelligent people have tried to build import terminals against the wishes of environmental activists,” said Lehr. “When shale gas got big, it was intelligent to build export terminals, which created thousands of jobs and helped the U.S. economy.”

Lehr says politicians’ true goal in hampering LNG exports is to expand government control over the economy.

“Many Democrats are not really concerned about the climate,” said Lehr. “They only want power and to stop our nation’s abundant fossil fuel development so they can force people to be dependent on their preferred wind and solar projects, which only operate because they tax us to subsidize them.

“Democrats’ real goal is to replace capitalism with socialism, as the recent Democrat debates proved,” Lehr said.

Kenneth Artz (kennethcharlesartz@gmx.com) writes from Dallas, Texas.
Twenty-Three States Push to Save California’s De Facto National Fuel Efficiency Standards

By Kenneth Artz

The governors of 23 U.S. states have joined California in demanding the Trump administration reverse its proposal to withdraw California’s Clean Air Act waiver for automobile emissions.

If they are successful in persuading the administration to change its mind regarding the waiver or, barring that, succeed in lawsuits they’ve threatened, California will essentially be allowed to set Corporate Average Fuel Economy (CAFE) standards nationwide, forcing automakers to comply with the state’s standards all across the country or go through the expensive process of establishing separate product lines for different states.

In a letter written in July, the governors of California, Colorado, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Minnesota, Montana, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, and Wisconsin, and the territory of Puerto Rico, mostly led by Democrats, said they “stand together in calling for one strong, national clean car standard and support preserving state authority to protect our residents from vehicle pollution.”

Noticeably absent among the letter’s signatories was Gov. Gretchen Whitmer of Michigan, whose state is home to the nation’s big three automobile manufacturers: Ford, Fiat Chrysler, and General Motors.

Legality of California’s Waiver

Under the 1970 Clean Air Act (CAA), the U.S. Environmental Protection Agency (EPA) sets national standards for vehicle tailpipe emissions of certain pollutants. However, CAA allows the EPA to grant states waivers to impose stricter standards than federal law, and for several decades the agency has allowed California to do so. EPA also allowed 13 other states and the District of Columbia to adopt California’s standards, resulting in those standards applying to one-third of the U.S. automobile market.

During the Obama administration, after the EPA concluded carbon dioxide posed a threat to human health, the agency granted California a waiver to limit automobile tailpipe emissions of carbon dioxide by treating it as a pollutant. That meant allowing California essentially to set separate, stricter fuel economy standards, which some other states adopted.

Critics of this decision, including the Trump administration, noted the 1975 Energy Policy and Conservation Act, which directed the National Highway and Traffic Safety Administration to set CAFE standards, specifically precluded states from imposing their own fuel economy standards.

When EPA first broached rescinding California’s emissions waiver in 2018, then-EPA Administrator Scott Pruitt said in testimony before Congress, “Federalism doesn’t mean that one state can dictate to the rest of the country. One national program is essential.”

Going Light

We’ve reached our limit on fuel economy for cars unless we’re prepared to drive in more dangerous, lightweight cars, says Mischa Popoff, a policy advisor for The Heartland Institute, which publishes Environment & Climate News.

“No matter how much disincentive is placed on automobile manufacturers, forcing them to stop making cars people actually want to drive, there is only so much efficiency we can obtain using lightweight materials,” Popoff said. “So cars have to become smaller and smaller, to the point of being dangerous.

“Peak efficiency with automobiles was probably achieved sometime back in the 1980s,” said Popoff. “There’ve been only very minor improvements over the decades, with the only cars doing noticeably better being so tiny as to be dangerous. You might as well buy two motorbikes and strap them together with hockey sticks.”

California Drives Market

California is distorting the market for new cars, says William Shuggart, a senior fellow at the Independent Institute.

“California has for many years imposed the nation’s strictest tailpipe emissions standards,” said Shuggart. “Because California is such a major market for automobile manufacturers, virtually all new cars and trucks sold in the United States, even those sold in places with less-strict regulatory rules, meet California’s standards.

“The result is higher price tags for vehicles everywhere, to cover the costs of complying with one state’s standards,” Shuggart said. “In fact, the two new 2019 Jeep Grand Cherokees I just took delivery of in Utah are ‘California compliant.’ California sets the bar because so many new vehicles are sold there and automobile manufacturers are not going to make some cars and trucks meeting California’s fuel economy standards and others which do not comply.”

California’s standards result in more expensive vehicles and little fuel savings, says Shuggart.

“Continuing to allow California to establish fuel economy standards which are tougher than the rest of the country essentially forces car and truck buyers in other states to pay higher prices for vehicles than they otherwise would,” said Shuggart. “As I and others have written elsewhere, the overall effects of fuel economy standards are ambiguous because of what’s known as the ‘rebound effect,’ in which, because fuel efficient vehicles consume less fuel per mile driven, those savings may be more than offset by people driving more miles because it is cheaper fuel-wise.”

‘Sacrificing Lives to Save Oil’

California shouldn’t be allowed to impose dangerous standards on other states, says James Taylor, a senior fellow with The Heartland Institute.

“The 1975 Energy Policy and Conservation Act explicitly prevents states from adopting their own fuel mileage mandates,” Taylor said. “One of the purposes of the law is to wisely not allow one or a few states to dictate, by their impact on market share, the fuel mileage mandates for the rest of the country.

“Literally, fuel mileage mandates are sacrificing lives to save oil,” Taylor said. “That is unconscionable. People should not be forced to forfeit their lives and important freedoms—in this case, freedom of choice—merely so government can say it saved consumers a few miles per gallon.”

Kenneth Artz (kennethcharlesartz@gmx.com) writes from Dallas, Texas.
Trusted on the Hill and Across the Heartland.

Real News. Delivered.

1 year of unlimited digital access to The Washington Times for just $69.95.

Your subscription will also include our digital version of the daily paper delivered to your email, every weekday morning, with breaking news on the issues that affect the future of our nation.

The Washington Times

Reliable Reporting. The Right Opinion.

washingtontimes.com/heartland
Utah Cities Push Development of Next Generation of Nuclear Reactors

By Kenneth Artz

Several cities in and bordering Utah have formed a coalition to purchase nuclear power from a small modular reactor being planned at the Idaho National Laboratory (INL), triggering the next phase in its development.

The coalition, called the Utah Associated Municipal Power Systems (UAMPS), has agreed to purchase more than 150 megawatts of electricity from INL’s project.

That amounts to enough electricity to power more than 150,000 homes. With the purchase agreement in place, INL will now focus on preparing a license application for the U.S. Nuclear Regulatory Commission.

The small, modular reactors being developed by Oregon-based NuScale at INL are being touted as the latest generation in the delivery of nuclear power. They will be the first of their kind in the United States.

Upon completion, the INL project will constitute as many as 12 individual 60 megawatt modules, which could produce 720 megawatts of electricity—enough to power 750,000 homes.

Flexible Output

UAMPS is a nonprofit political subdivision of the state of Utah, consisting of cities and special service districts in six states established to generate and deliver electric power and affiliated services to its members. UAMPS sees adding nuclear energy to its portfolio as a hedge against price volatility from fluctuating natural gas and renewable energy prices and as a way to maintain grid reliability as regulatory mandates and market conditions force increasing numbers of reliable, coal-fueled power plants to shutter prematurely in order to be replaced with increasing amounts of intermittent wind and solar power.

INL’s reactor project is going to play an important role in future energy systems, says John F. Kotek, vice president of policy development and public affairs for the Nuclear Energy Institute.

“This project will incorporate small-reactor nuclear energy technology developed by NuScale, which represents a new generation of smaller nuclear power plants that are flexible in their output and should provide even better support to the electrical grid,” said Kotek. “The United States Department of Energy funded this project over the past 15 years, so getting it under construction will represent the culmination of a couple of decades’ worth of qualitative, private and public sector development of this next generation of nuclear technology.”

‘Dispatchable’ Power

The project is important for Idaho, too, says Kotek.

“Idaho is a fairly significant electricity importer, so new generators within the state’s borders would be welcomed,” said Kotek. “Also, the reactors will help balance out an increasing amount of wind and solar energy introduced into the system in Idaho.”

“As we know, the intermittent nature of those technologies can present challenges to grid operators, so having something which is dispatchable like nuclear will provide important grid stability in that part of the country,” said Kotek.

The total project cost for the new generation of small, modular nuclear reactors is considerably lower than the large reactor types currently being built around the world, says Kotek.

“The concept is to actually push more of the construction back to the factory,” said Kotek. “Issuing factory-built modules for modular installation on site should provide more standardization and cost reduction over time.

“Each individual unit will be considerably smaller than the reactors built today,” said Kotek. “With NuScale, each unit would produce 70 megawatts of energy as opposed to the 1,000 megawatts of electricity from a large commercial reactor being built today.”

Costs Tripled by Regulations

Nuclear power is safe and would be inexpensive if it were not for often unnecessary government safety regulations which have prevented nuclear power from becoming more widespread, says Jay Lehr, Ph.D., a senior policy analyst with the International Climate Science Coalition.

“Modular systems are being constructed all over Russia,” said Lehr. “While this project is the best news for the nuclear industry in decades, it is unfortunately likely the estimated costs of the project will not be reflective of what the actual costs will be, as the construction will include unnecessary safety provisions which have now tripled the costs of the existing nuclear power reactors beyond where they should be.”

Replacing fossil fuel-powered plants should not be a selling point for nuclear power, though it probably will be, says Lehr.

“Carbon dioxide is good for the planet,” said Lehr. “Nuclear power is good for America per se, and the industry should not be forced to promote its technology based on the fact it is carbon-dioxide emission-free, based on the great climate delusion fraud which claims carbon dioxide, in reality plant food, is a dangerous pollutant destroying the planet.”

Revitalizing Nuclear Energy Industry

The cost-sharing among the many communities buying into this project should make it more economical, Lehr says.

“If the units are built with only the necessary safety mechanisms, and not to safety margins and conditions called for by anti-nuclear luddites who will in reality never be satisfied, this project alone could revitalize America’s nearly defunct nuclear energy industry,” Lehr said.

“The day will come when the world runs on nuclear power, but in our country, I believe we have three centuries of natural gas which will be less expensive for some time to come, unless it is regulated out of existence by climate alarmists,” said Lehr.

Kenneth Artz (kennethcharlesartz@gmx.com) writes from Dallas, Texas.
Declining Government Support for Electric Vehicles Could Boost Global Oil Demand, Report States

By Bonner R. Cohen

Declining support for policies promoting electric vehicles (EVs), and a slowdown in EV sales, could reinvigorate global oil markets, concludes a recent report by a Washington, D.C.-based firm specializing in global energy forecasts.

The United States and China are the world’s largest EV markets. Prior expectations that sales of EVs would continue to expand led some observers to forecast a global peak and then decline in oil demand for transportation in the near future.

By contrast, Rapidan Energy Group’s updated “Decarbonization Policy Tracker” notes EV demand is falling as government support for the vehicles, including mandates and subsidies, has waned, which could at the very least delay any decline in global oil demand.

Rapidan says it expects the U.S. Energy Information Administration (EIA) and the International Energy Agency (IEA) to revise their projections for global oil demand upward once they account for declining EV sales.

‘Peak and Plateau’ Scenario

Rapidan’s report states the EIA is already adjusting its monthly gasoline forecasts, shifting them to a “peak-and-plateau” from a “peak-and-collapse” forecast it had issued every year since 2008.

EIA made similar peak-and-collapse projections in the 1980s, but the collapse never happened. After the fracking revolution opened access to millions of new barrels of oil reserves the industry had previously been unable to capture, oil prices fell even as the U.S. economy expanded and further boosted demand for fuel.

“We see history repeating,” the report says, with the slowdown in demand for EVs, due to declining government support and changes in consumer tastes, moving the needle on expected global oil demand upwards once again.

China’s EV Drawdown

Recent developments in China don’t bode well for EV sales, Rapidan states.

China has 487 domestic EV manufacturers, all of them subsidized, and many of them are losing money despite the infusions of taxpayer cash.

Rapidan’s report notes fraud is rampant throughout the Chinese EV market. In some cases, fossil fuel powered vehicles have been labeled as EVs to obtain subsidies. In other instances, EVs have been built without any batteries, just so the manufacturers could receive government credit for building the vehicles. It is not uncommon for Chinese EVs to be mislabeled to overstate their range of travel between charges.

In response to these and other problems, plus a slowing economy, the government in Beijing announced it will cut purchase subsidies for EVs by 50 percent in late 2019 and phase them out completely by the end of 2020. Beijing is urging local governments to reduce EV incentives as well.

Rapidan also says an overhaul of the Chinese government is undertaking to its unique vehicle licensing procedures will benefit gasoline and diesel-powered vehicles and discourage EV sales.

Lower U.S. EV Support

Rapidan’s report says the Trump administration’s freeze on fuel-efficiency standards and its decision to revoke California’s waiver to set its own fuel efficiency standards will slow the U.S. EV market.

Withdrawal of the waiver will jeopardize California’s Zero Emissions Vehicle program, which it and nine other states have used to require a certain percentage of vehicles sold in their states be EVs.

In addition, a tax credit ranging from $2,500 to $7,500 the federal government offers to purchasers of EVs based on range of travel and battery size begins to phase out for each manufacturer after it reaches 200,000 EVs sold.

Financially troubled Tesla has already crossed that threshold, and the subsidy that purchasers of its vehicles receive has been cut in half to $3,750. The subsidy is set to drop to $1,875 at the end of 2019 before disappearing altogether by the end of 2020.

Lobbyists for auto companies heavily invested in EVs are urging Congress to extend the $7,500 subsidy, fearing loss of consumer interest once the rebate is gone.

Running on Subsidies

Without government support, the market for electric vehicles would be nearly nonexistent, says Dan Kish, a distinguished senior fellow at the Institute for Energy Research.

“The secret to EVs is they don’t run on batteries, they run on subsidies,” said Kish. “The vehicles people want to buy run on oil, and the good thing about that is there’s plenty of it to go around in both the United States and the world.

“If oil didn’t exist as a transportation fuel, we’d have to invent it,” Kish said.

Efforts to make EVs the dominant type of personal vehicle were always bound to fail, says David Wojick, a senior policy analyst with the Committee for a Constructive Tomorrow.

“EVs are simply not ready for widespread use in America,” said Wojick. “Proposals to ban the internal combustion engine and make EVs common are completely unrealistic, and the Energy Information Administration clearly knows this.”

Bonner R. Cohen, Ph.D. (bcohen@nationalcenter.org) is a senior fellow at the National Center for Public Policy Research and a senior policy analyst CFACt.
Ohio Bans ‘Rights of Ecosystems’ Lawsuits

By Vivian Jones

A provision of Ohio’s recently enacted biennial budget bill bars lawsuits filed on behalf of the purported interests or rights of nature.

“Nature or any ecosystem does not have standing to participate in or bring an action in any court of common pleas,” the budget bill states. “No person, on behalf of or representing nature or an ecosystem, shall bring an action in any court of common pleas.”

Halting Lake Erie Lawsuits

Legislators added the provision to the budget bill signed by Gov. Mike DeWine on July 18, in response to a measure adopted by Toledo voters on February 26 which granted human-like “rights” to Lake Erie, including the “right to exist, flourish, and naturally evolve.” The initiative granted Lake Erie legal standing, allowing people to sue on behalf of its purported interests.

Toledoans for Safe Water (TSW) developed the “Lake Erie Bill of Rights” ballot initiative.

“We assert that our natural ecosystems have an inalienable right to not only exist but to flourish,” TSW’s website says. “Industrial farming practices … are encouraged and prioritized above the health and rights of the people and the environment.

“This needs to change,” the website says. “The Lake Erie Bill of Rights does not simply give Lake Erie rights, it recognizes the rights we have long violated and ignored.”

State legislators acted to block all lawsuits brought on behalf of ecosystems, saying the granting of legal standing to nature would bring on lawsuits costing the state and people millions of dollars in legal fees and economic losses.

Protection Through Property Rights

Those who pushed the Lake Erie Bill of Rights were misguided, says E. Calvin Beisner, founder of the Cornwall Alliance for the Stewardship of Creation.

“The assertion of ‘nature rights,’ or ‘ecosystem rights,’ arises from the radical wing of the environmental movement,” said Beisner. “It is gratuitous for someone to say, ‘I speak for this forest,’ or ‘I speak for this lake,’ since no one knows what a forest or lake would say if it could say anything.

“When someone presumes to speak on behalf of nature, he is just asserting his preference over those of others,” Beisner said.

Strong property rights are the best way to protect plant and animal life, Beisner says.

“Historical experience shows we best prevent abuses of nature not by assigning rights to nature but by assigning property rights to human beings over nature,” said Beisner. “People who own property have an incentive to protect it, to maximize its value over time, rather than allow it to be destroyed or consumed as quickly as possible lest someone else consume it first—as happens when property rights are absent, in what is known as ‘the tragedy of the commons.”

E. CALVIN BEISNER
FOUNDER
CORNWALL ALLIANCE FOR THE STEWARDSHIP OF CREATION

North Dakota, Montana Fight Washington State Oil-by-Rail Law

By Kenneth Artz

The attorneys general of North Dakota and Montana requested the Trump administration block a new Washington State law imposing tighter restrictions on shipping crude oil by rail in the state.

Montana Attorney General Tim Fox and North Dakota Attorney General Wayne Stenehjem sent a legal petition to the U.S. Department of Transportation (DOT) requesting the federal government use its authority over railroads to countermand Washington State’s oil-by-rail law signed by Gov. Jay Inslee in May.

DOT has 180 days to issue a decision on the July 17 petition or explain why it has been delayed and issue a new deadline.

Oil to Refineries

North Dakota ships approximately 150,000 barrels per day of Bakken region crude oil by rail to refineries in Washington State.

The new law requires a reduction of train car tank pressures for oil shipped by rail through the state, purportedly to lessen the risk of potentially deadly explosions during derailments.

Current science indicates crude oil is stable at 14.7 pounds per square inch. Washington State’s new law requires vapor pressure below 9 pounds per square inch. Failing to meet the standard could lead to fines of up to $2,500 per day per rail car. At about 1,700 oil rail cars per week traveling through Washington State at present, fines could amount to $4.25 million in added costs per week.

Curtailing Safety, Shipments

The Fox and Stenehjem petition claims Washington State’s standards are not backed up by science, could make shipping oil by rail prohibitively expensive, violate the Interstate Commerce Clause of the U.S. Constitution, and could decrease safety by subjecting the railroad industry to a variety of disparate state laws instead of a common national standard.

No Northwest Transport

Washington’s new law would virtually shut down oil shipments in the state because pipeline capacity is limited, says Bette Grande, a research fellow at The Heartland Institute, which publishes Environment & Climate News.

“When a third of North Dakota’s oil is transported to or through Washington State for refining and shipping,” said Grande. “There were deals put in place by businesses in Washington State under previous administrations going back to 2006 and earlier to increase oil shipments to the region.

“We had people coming to North Dakota cutting deals because they wanted our oil, then Inslee comes in and tries to shut it down, because he wants to be considered one of the great environmentalists, bigger than Al Gore,” Grande said. “Inslee is doing this because he hates Bakken crude, which will still find a market. In the process, he is destroying business in Washington State, all under the pretense of saving us from ourselves.”

Kenneth Artz (kennethcharlesartz@gmx.com) writes from Dallas, Texas.

“Historical experience shows we best prevent abuses of nature not by assigning rights to nature but by assigning property rights to human beings over nature. People who own property have an incentive to protect it, to maximize its value over time, rather than allow it to be destroyed or consumed as quickly as possible lest someone else consume it first...”

Vivian E. Jones (vivianejones@aol.com) writes from Murfreesboro, Tennessee.
CA’s ‘Green’ Energy Policies Are Driving Residents into Poverty

By Ronald Stein

The green movement has done a great job of stymying the growth of nuclear power generation, which is perverse because nuclear is the only technology known to generate zero emission electricity on a continuous, uninterrupted basis.

Following up on the success the green movement has had in shutting down the nuclear industry, it has now set its sights on oil. “Big Green’s” public pressure campaigns have recently begun to have success in “encouraging” large oil companies to invest huge sums in renewable electric power sources, primarily wind and solar.

There are three main reasons “Big Oil” is investing in renewables.

First, it is a great public relations move. Second, it is also a fantastic business investment, as wind and solar facility is intermittent, requiring back-up fossil fuel plants to provide electricity when the wind is not blowing and the sun is not shining and to regulate the flow of power from renewables when they are functioning. Third, federal and state governments subsidize renewable development, and if the facilities fail, the government incentives are “no take back” guarantees and the loss becomes a tax write-off—basically allowing oil companies to dabble in renewable investments for free.

Blind to True Costs

California is seemingly going green at any cost, and as a result the state is driving up the populations of the homeless and those falling below the poverty line. Those leading the green parade are either blind to this fact or just don’t care.

Wind- and solar-obsessed Australia, Denmark, and Germany fight it out for the honor of paying the world’s highest power prices. Contrary to what California would have the world believe, the state is following, not leading, into known disastrous territory. Just as in Australia, Denmark, and Germany, California’s political class fails to see the direct correlation between energy costs for electricity and fuels and the rise of homelessness and poverty.

Efficient energy systems reduce costs for everything—not just electricity and transportation but also the cost of cleaning supplies, electronics, groceries, and heavy machinery. For the working class, after fuel and electricity costs, what’s left in the purse, if anything, remains, goes toward other living expenses. California’s energy dik-tats are leaving less and less money for those expenses.

High Prices Going Higher

California’s electricity prices are already 50 percent higher than the national average for residents and double the national averages for commercial and industrial users. These costs are projected to rise even more.

The inability of wind and solar to replace continuously operating uninterrupted power from nuclear and natural gas plants is causing the state to import more and more of its electricity. California imported 29 percent of its electric power last year. The good news is the state suffered no brownouts (for once). The bad news is the imported electricity comes at a higher price tag being borne by residents and businesses alike. With the huge land requirements necessary for wind and solar renewable electricity, and already high land values, California will have to import more energy every year.

Not Using Domestic Sources

California has plenty of oil and natural gas, both on- and offshore, but its Democrat politicians block access to these resources despite the state’s high demand. California increased its crude oil imports from foreign countries from 5 percent in 1992 to 57 percent in 2018, costing the state more than $32 billion dollars per year.

That money is being paid to oil-rich foreign countries and being denied to in-state producers, thereby depriving Californians of jobs and business opportunities. Partly as a result of this, the state’s coffers are growing thin as the government struggles to pay its retirement, social responsibility, and welfare debts.

Beyond Regulations, Taxes

Adding insult to injury, starting on July 1 the state imposed an additional six cents per gallon in gas taxes to the posted price for gasoline at the pump, supposedly to be dedicated to road infrastructure repair and maintenance. With residents already paying as much as a dollar per gallon in fuel taxes, California should already have the nation’s best roads.

With its green crusade, California is doing everything within its power to increase the costs of electricity and fuel, virtually guaranteeing growing homelessness, poverty, and demands for government welfare.

As homeless camps expand on California’s city streets from the Oregon state line in the north all the way to the Mexican border in the south, it’s scary the state’s leaders fail to realize the regressive impact their fossil fuel phobia has on working families.

Ronald Stein (Ronald.Stein@PTSAdvanc.com) is the founder and ambassador for energy and infrastructure at PTS Advance.
‘Green’ Cities: Higher Costs, Lower Electricity Reliability

By Carly Good

Among the many places jumping on the bandwagon of renewable energy initiatives in recent years are the Texas cities of Austin, Georgetown, and now San Antonio, each of which maintains a monopolistic, municipally owned electricity provider from which residents are forced to purchase electricity.

All these cities have pursued highly publicized “green” initiatives to increase the amount of renewable energy they provide to their captive electric power customers.

These initiatives have led to higher costs for consumers and poor investment decisions on the cities’ part, costing residents millions of dollars and reducing the reliability of the electric grid.

Behind these initiatives are government subsidies, such as the federal Production Tax Credit (PTC), that have allowed renewable energy producers to charge an extremely low price for their energy—sometimes even selling power at a loss.

Although this may seem like a good deal for energy consumers, these residents are also paying huge amounts in taxes to fund the incentives. Cost estimates of taxpayer subsidies for renewables in Texas show the cost to be as high as $36 billion from 2006 through 2029, when the PTC is currently scheduled to expire.

Green Energy Burns Budgets

Residents are also footing the bill in other ways for poor investment decisions made by cities in efforts to “go green.”

The city of Georgetown, home to a mere 71,000 residents, spent $32.7 million over budget for renewable energy production from 2016 through 2018, and in 2018 Georgetown spent a whopping $53.6 million on electricity—22 percent above the $44 million the city budgeted for.

Not to be outdone by its neighbor, Austin built a biomass production plant to provide renewable energy to the city. And it did—for two whole months, before the city closed it down. This green experiment cost Austin residents $838 million, including a $460 million buyout of the 20-year contract originally worth $2.3 billion.

Renewable-Induced Energy Shortages

In addition to this costly malinvestment of tax dollars, Texas residents also face heightened threats of energy shortages as the use of renewables increases.

This is because of another fundamental problem with renewables: Wind and solar generation are inherently intermittent. The wind does not always blow, and the sun does not always shine. Also, the energy from renewable sources cannot be effectively stored for use at times of peak demand. Therefore, much of the energy generated—when these plants are actually generating power—is wasted, and unavailable when it is needed most.

In addition, renewable generation plants are typically located in less-populated areas away from the greatest demand, so the electricity must be transmitted over vast distances to reach the market. Power is lost in transmission, meaning additional power must be delivered from other sources to meet demand.

Texans have also borne $14 billion in costs for the transmission lines running from unpopulated west Texas, which doesn’t need the additional electricity, to populated cities like Austin and Dallas, which do, for these renewable power schemes.

Distorting the System

Finally, the extremely low prices for renewable energy, as a direct result of subsidies, are resulting in significantly less investment in reliable and affordable generation powered by natural gas and coal, placing a huge strain on the grid.

Coal and natural gas are more efficient and reliable than their renewable counterparts. However, during periods of high wind and sunlight unhampered by clouds, electricity prices can become so low that coal and natural gas plants must sell power at a loss. As money-losing plants are closed, the reserve margin shrinks, which threatens the entire grid because providers don’t have enough “spare” generating capacity to satisfy peak demand when renewables fail to deliver. The difference between the supply and demand of electricity may be as low as 7.4 percent this summer, a record low threatening to result in intermittent power shortages across the state at the peak periods.

The Texas Legislature can and should ameliorate these problems by eliminating the preferential treatment Texas affords renewables. In addition to doing this at the state level through the Public Utility Commission, it can also take away the power of cities to impose costly, inefficient initiatives simply to support the latest environmental fads.

These steps would allow the market to provide more affordable and reliable energy for all Texans, and they would work in other states as well.

Carly Good (cgood@texaspolicy.com) is a policy intern at the Texas Public Policy Foundation in Austin, Texas.
Each month, Environment & Climate News updates the global averaged satellite measurements of the Earth’s temperature. These numbers are important because they are real—not projections, forecasts, or guesses. Global satellite measurements are made from a series of orbiting platforms that sense the average temperature in various atmospheric layers. Here, we present the lowest level, which climate models say should be warming. The satellite measurements are considered accurate to within 0.01°C. The data used to create these graphs can be found on the Internet at http://vortex.nsstc.uah.edu/data/msu/v6.0beta/tlt/uahncdc_lt_6.0beta5.txt. All past data were revised when the methodology was updated in April 2015.

**JULY 2019**

**GLOBAL AVERAGE**

The global average temperature was 0.38°C above average.

**NORTHERN HEMISPHERE**

The Northern Hemisphere’s temperature was 0.33°C above average.

**SOUTHERN HEMISPHERE**

The Southern Hemisphere’s temperature was 0.44°C above average.

**219,000 years of Temperature Variation**

READY TO CHANGE THE WORLD?

Individual liberty is coming under new threats every day. It may appear there is no hope, but we know different.

Come to LibertyCon and meet the next generation of freedom fighters, impart your knowledge, learn from our speakers, and leave refreshed with a new hope for the future.

As a young professional or a seasoned veteran, LibertyCon is the place to connect and engage.

Let's change the world together! Register for LibertyCon 2020 today.

SPEAKERS INCLUDE:

JOHN MACKEY
WHOLE FOODS CO-FOUNDER & CEO

MIRIAM ISA
MEDIA PERSONALITY

NASSIM TALEB
AUTHOR

VERNON SMITH
NOBEL PRIZE RECIPIENT

& MANY MORE TO COME...

REGISTER TODAY FOR THE EARLY BIRD PRICE OF $59!

www.LIBERTYCON.com