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The Energy Policies of the Bush Administration

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As the 2004 election year begins, the issue of energy does not appear to be a central one for the Bush campaign. In his 2004 State of the Union address Bush only mentioned energy in one sentence, saying: "Consumers and businesses need reliable supplies of energy to make our economy run -- so I urge you to pass legislation to modernize our electricity system, promote conservation, and make America less dependent on foreign sources of energy." ("State") To really examine Bush's energy policy however, one must dig deeper than this election-year rhetoric. The legislation that Bush refers to is the proposed 31 billion Energy Policy Act of 2003, currently awaiting approval of the senate. The Bush administration has said that the bill has its support, and that it closely follows Bush's National Energy Policy. ("Energy") This policy is largely influenced by the president's National Energy Policy Development Group [NEPDG], set up in his first weeks in office. The group presented the president with 106 recommendations which he has adopted, and is beginning to implement. So what the Bush Administration energy policy, and will it really accomplish its stated goals of modernizing the electricity grid, promoting conservation, and reducing the US dependence on foreign oil? What about the issues that Bush did not explicitly mention in his address, such as renewable energy sources and the impact of his energy policy on the environment? To answer these questions , Bush's energy stance will be examined with regards to different energy sources and the past and proposed actions of his administration.

To begin with, oil. Whether it be drilling for oil in protected wildlife refuges, alleged ties of the administration to the oil industry, or purported motives for the war with Iraq, oil policy has always held a prominent place in the current administration. Most recently, Bush has called again and again to decrease the US dependence on foreign oil as a matter of national and economic security. During the month of January, the US imported 9.3 million barrels of crude oil per day. This oil came from approximately 36 different countries, including such sources as Mexico (1.5 million barrels/day) and Canada (1.4 million barrels/day). Syria, which Bush linked to the Axis of Evil, is the only mildly threatening country on the list after the ousting of Saddam Hussein in Iraq. They provide us with a mere 2,000 barrels of oil a day. (“Top Ten”)

Bush’s plans to reduce US dependence on foreign oil all seem to hinge on increasing the domestic crude supply. Currently, the US produces about 5.7 million barrels crude/day. (“Petroleum”) In comparison, Saudi Arabia, the biggest producer of crude, produces about 8.4 million barrels of crude oil per day. Complete independence of foreign crude sources would require the US to produce almost twice as much crude per day, just to feed its current habit of consuming 15 million barrels of crude oil each day. This seems unlikely. Bush, however, seems bent on increasing domestic crude oil output anyway.

The class needed to see some of these numbers written on the blackboard to be able to make comparisons. U.S. oil production peaked in the mid 1970s; there's no economical and environmentally acceptable way it can be doubled now.

One source of oil the administration has been eyeing for three years is the Alaska National Wildlife Reserve [ANWR]. Estimates of the amount of oil in that area range from 5.7 to 16 billion barrels of oil.

This corresponds to a 1- 2.7 year supply, if we relied entirely on ANWR oil. I didn't realize the numbers were this large and wonder if they are somewhat inflated to make the case for drilling in ANWR. It might be worthwhile to check the 5.7 to 16 billion barrel figures.

Even with the optimistic expectation that ANWR would produce 1-1.3 million barrels of oil a day at its peak (“Reliable”), one must consider that it would take several years to reach peak production, by which time 1 million barrels would be an even smaller fraction of the US total crude oil consumption, and would hardly lessen its dependence on foreign oil. To the Bush administration, this is worth the cost of drilling in a protected wildlife reserve. Environmentalists vehemently disagree. So far however, congress has not approved any proposal to drill in ANWR.

The Alaskan National Wildlife reserve is not the only place Bush seeks to find more oil reserves. The proposed energy bill contains many provisions for expanded drilling on public lands and Indian reservations. Under that bill, companies involved in energy development in these areas could be exempt from parts of the clean water act. Public input on decisions involving this land would be limited. Energy development would also have priority on public land, over any other uses. (“Hunters”) The bill would also put Native American lands at risk by preventing the Environmental Protection Act from applying to energy development on reservations. (“Sierra Club”) In short, the Bush energy policy with regards to oil is one of increased domestic production, at what could be grave environmental costs, that has little hope of substantially reducing US dependence on foreign oil.

The Bush Administration’s policy on natural gas is very similar to its policy on oil. In his own words, taken from a campaign speech in 2000, “I would like to aggressively explore our own continent for oil and natural gas.” (“George”) The practical reason behind this policy is that

natural gas is hard to transport except in liquid form, and facilities that deal with liquefied natural gas are limited. This means that it is difficult to respond to a gas shortage by increasing imports. Currently, the US imports only 16% of its natural gas from seven countries, and most of those imports are piped in from Canada. (“Natural Gas”) In order to avoid shortages and the inevitable price increases they would bring, the Bush administration has strongly pushed to find more domestic natural gas reserves in places such as Alaska and the Outer Continental Shelf. Bush is also in favor of a proposed Alaskan pipeline to transport natural gas to the contiguous US.

Aside from its heating uses, natural gas also currently provides the fuel for 16% of US electricity generation. It is projected to provide 36% of the total electricity generated by 2020. (“Reliable”) NEPDG explains this diversification away from coal in the production of electricity as due to companies being unwilling to invest in coal plants because of uncertainties regarding emission regulations. (“Reliable”) However, since their report the Bush administration has withdrawn from the Kyoto treaty, and proposed the Clear Skies Act which actually undercuts the Clean Air act and loosens emissions standards. (“Facts”) The future of coal power plants looks much brighter.

Coal generates 50% of the US’s electricity, and under the Bush administration this is likely to continue and perhaps even increase. Bush’s energy plans involve a heavy reliance on coal, of which only about 1.5% of the approximately 1.1 billion short-tons (1 short-ton = 907 kg) the US consumes annually is imported. (“Coal”) Bush is also a supporter of Clean Coal Technology, which reduces many of the emissions produced by coal-burning power plants, despite his proposed legislation that would actually allow plant emissions to increase. It is important to note however, that Clean Coal does nothing to decrease carbon dioxide [CO₂] emissions.

Bush's withdrawal from the Kyoto treaty exempted him from the necessity to regulate CO2 emissions, and he has not imposed any CO2 emissions standards in its stead, thus breaking one of his campaign promises. Instead, Bush set up a program called "Climate Leaders", a voluntary program to recruit companies to come up with ways to control their emissions. Only 50 companies have signed up. Only 14 of those companies have set goals of reducing their emissions. The entire program has a \$1 million budget and a full-time staff of three. ("Global Warming")

In addition to coal and natural gas electricity generation, hydropower is a source of 7% of the US's electricity. ("Reliable") The Bush administration is interested in increasing this, despite physical limitations to the numbers of rivers that can be dammed, and the number of dams a river can support. NEPDG recommends that efficiency be increased at existing plants and that new plants be opened. The group also recommends that the hydropower licensing process be streamlined, as it is currently too lengthy and too costly. The group claims that environmental goals will still be preserved in doing so.

Another source of electrical energy which Bush is in favor of increasing is nuclear power. NEPDG has proposed several ways to do this. First, the percentage of time that the reactors of a plant operate could be increased from the current levels of around 90% up to 92%. Another proposal is to uprate plants, or have their power rating increased through technological upgrades. The licenses of current plants could also be extended. NEPDG says these proposals will not make the plants involved any more dangerous. Lastly, new reactors could be built on existing sites, many of which were made to house 4 to 6 reactors but currently only operate 2 or 3. ("Reliable") This could eliminate some of the NIMBYism [Not In My Back Yard] associated with the building of nuclear power plants on new sites. However, considering that no new

nuclear plants have been built in the US since 1979, and no new reactors have come online since 1997, some public negativity is to be expected in response to Bush's plan to increase nuclear electricity generation.

As for the electricity industry as a whole, the Bush administration is taking steps to ensure reliable sources of electricity for the country into the future. In response to the 2003 blackout that affected much of the northeast, Bush has pledged to upgrade the nation's electrical grid. However, the proposal to do so is buried inside the Energy Policy Act of 2003, which is seems unlikely to pass through the senate this year due to its bloated cost. US electricity consumption continues to grow despite the outdated grid. The National Energy Policy Development Group estimates that 1,300-1,900 new power plants must be built by 2020

About 100 per year!

to meet the future energy demands of the country. ("Reliable") Their environmental impact is uncertain, depending on future emissions regulations, and whether the plants generate electricity with coal, natural gas, or perhaps even nuclear fission.

How about including solar and wind in the mix?

When it comes to alternative and renewable energy sources, the Bush administration is hardly financially supportive. The National Energy Policy Development Group recommended that a paltry \$39 million in new funds be allotted to the research and development of alternative and renewable energy. However, if ANWR were to be approved, \$1.2 billion of government profits from that venture would go to fund alternative and renewable energy Research and Development. ("Reliable") Despite this carrot for supporters of alternative energy, ANWR drilling still has not been approved, and environmental groups are unlikely to ever support it.

Further support of renewable and alternative energy comes in the form of proposed tax breaks and incentives for those who invest in the technology that is already on the market, such as solar power for the home, or hybrid vehicles. (“Reliable”) While this might inspire more consumption of alternative energy products, it will not directly further technological advancement in the field.

Overall, several points about this policy stand out. First, Bush appears to give nothing more than lip service to the environment. Almost every one of his proposed changes to laws regarding the development of public land with respect to energy comes with the caveat that it will not be at the expense of the environment. However, when his plans call for streamlining licensing processes, reducing public input, and relaxing federal pollution regulations, that seems hard to believe.

The bulk of the Bush administration’s energy policy concerns fossil fuel, and how to exploit more of the US’s natural reserves of these non-renewable energy sources. Considering the minimal support the administration gives to research and development of renewable and alternative energy sources the emphasis on fossil fuels seems unlikely to change. The ‘conservation’ that Bush mentioned in his State of the Union Address obviously does not apply to conservation of our limited fossil fuel energy resources or conservation of our environment.

Lastly, the common factor in all parts of this energy plan is the support of unbridled US energy consumption. Whether it be by drilling for more oil or natural gas, increasing electricity generation through coal and nuclear power and hydropower, or increasing however minimally the budget for alternative energy research, the Bush administration wants to get more energy. Never mind the impact this could have on the environment or even world climate. The energy

policies of the Bush administration ensure that the country need not fear losing its place as the world leader in energy consumption.

Good summation in the final paragraph.

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