

Land and Water Fund of the Rockies Analysis of the Bush-Cheney Energy Plan

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Bush-Cheney Energy Plan: Bad for the Interior West

While President Bush's new energy plan, released early Thursday, praises the need to protect the natural environment, the details reveal a plan that will inflict much more harm than good on the environment of the Interior West. An analysis of the plan completed by the Land and Water Fund of the Rockies (LAW Fund) shows that the plan:

- Would needlessly open rare and special public lands to fossil-fuel recovery;
- Urges steps that could remove important air quality regulations that are instrumental in cleaning up existing, dirty power plants;
- Gives short shrift to energy efficiency and renewable resources while lavishing heavy federal subsidies on coal;
- Does nothing to address growing climate change problems;
- Thrusts the federal government into transmission line decisions contrary to state and local powers and;
- Despite its rhetorical embrace of the long-term, is incredibly short-sighted.

The West does have energy problems, but there are better solutions for our region that refrain from invading special public lands, do not undercut crucial air quality regulations and rely much more on clean energy efficiency, renewable resources and highly efficient combustion of natural gas to meet the need for power.

1. There is no need to open special public lands to energy development. In Chapter 5, the Bush plan would have the President direct the Interior Secretary to examine land status and stipulation impediments to federal oil and gas leasing, modifying them to encourage oil and gas extraction. Thus, the way is paved to open up the new national monuments, roadless areas, wilderness study areas and other special lands that are protected because of their unique environmental values. These lands have only a tiny portion of the region's and country's oil and gas reserves. In addition, roughly 95% of all BLM lands are already open for oil and gas leasing. Thus, these special lands should be left alone.
2. The Bush plan pays lip service to the need for balance but is itself unbalanced. The plan offers rhetorical praise for energy efficiency and renewable resources, but where the rubber meets the road—money—it throws federal dollars after coal and is, at best, stingy toward renewables and energy efficiency. As a result, there is virtually no increase in the resource mix for renewable energy over the next 20 years. Several essential opportunities to capture energy efficiency are just not taken. The plan:

- a. Does not propose greater funding for energy efficiency programs by the Department of Energy, but instead maintains the cuts in the Energy R&D programs announced in the Administration's budget;
- b. Does not reverse the recent rollback of air conditioner efficiency standards;
- c. Does not include a comprehensive set of tax incentives for energy-efficient technologies; and
- d. Does not contain any proposals to raise funding through system benefit funds established for electric utilities.

The plan directs federal agencies to provide greater certainty relating to coal electricity generation through policies related to business decisions. No such policy directive exists for energy efficiency and renewable resources.

3. The plan will exacerbate global warming. Although the plan pays lip service to global warming as a problem, and continually touts nuclear power because of its lack of carbon emissions, the plan, speaking out of the other side of its mouth, strongly encourages increased coal combustion and proposes nothing directly to deal with carbon emissions. Echoing President Bush's campaign pledge reversal, the plan also abandons bipartisan efforts to reduce carbon emissions through a market-based four-pollutant strategy for reforming the Clean Air Act. The plan does state that the Administration intends to come out with its recommendations on global climate change at a future date. But climate change policy should have been incorporated as an integral component and guiding principle to the energy plan, not relegated to an afterthought.
4. The plan, billed as the administration's long-term vision, is incredibly short-sighted. The plan encourages environmentally risky, new conventional coal-fired power plants, with economic lifetimes of 60 or more years, leaving the West vulnerable to carbon taxes and obsolete technologies--indeed a carbon hangover--when the country finally catches up with the rest of the developed world and seriously begins dealing with climate change. It does little to encourage energy efficiency even though it is the quickest and most economical way to address power shortages; it threatens to sacrifice environmentally unique landscapes for very small amounts of energy resources.
5. The plan could undermine key Clean Air Act provisions that are instrumental in reducing harmful emissions from older, dirtier power plants in the West. The New Source Review (NSR) process under the Clean Air Act plays an important part in ensuring that major new power plants employ state-of-the art pollution control technologies. The NSR provisions are also instrumental in cleaning up older, dirtier power plants -- which in many instances predate the Clean Air Act -- when they undergo major modifications or upgrades. Buried in Chapter 7 is a proposal to review the NSR process, with the aims of relaxing its applicability to existing facilities and cutting cut back on existing and future

federal enforcement actions. This would be foolhardy, as it would discourage the cleaning up of older, dirtier power plants in the Interior West that are responsible for much of our current visibility and air quality concerns.

6. The plan recommends developing legislation that would usurp state and local authority on granting rights-of-way for transmission lines. The plan barely even discusses the roles of demand-side management and clean distributed generation technologies -- which are far more acceptable to local communities and less damaging to public lands than the siting of major transmission facilities -- in relieving bottlenecks on the transmission system and reducing the need for expensive and environmentally damaging transmission line expansions and upgrades.
7. In encouraging the return of nuclear power without a resolution of the storage problem, the plan is irresponsible. The Interior West is usually the chosen place for the disposal of nuclear waste. Yet our region does not want these wastes. Pushing that aside, the Bush plan would try to bring back expensive nuclear technology, partly in the name of climate change policy. There are better ways to cap utility emissions of pollutants than by new nuclear power plants, including energy efficiency and renewable resources.

There is a cleaner, less expensive path toward meeting the West's demand for power than President Bush's plan for turning the West into an energy colony and national sacrifice area. That better way would:

- (1) Recover natural gas from areas that are not environmentally sensitive;
- (2) Stress energy efficiency, likely capable of meeting 40% or more of the load growth in this region in the next 15 years;
- (3) Promote renewable resources in this region, the Saudi Arabia of solar, wind and geothermal power;
- (4) Capture technology advancements in the areas of power generation, transmission, and end-use before pursuing an aggressive build and burn strategy;
- (5) Emphasize highly-efficient combustion of natural gas for new fossil-fuel based power plants.

Implementing this plan would save money for the region, create jobs and protect the region's natural environment and quality of life far better than the Bush plan.

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