# The Week That Was (July 18, 2009) brought to you by SEPP

Scientists and Engineers (broadly defined) residing/voting in Virginia, who want action and not just words, can join the non-partisan, non-political SEEE-VA (*Scientists and Engineers for Energy and Environment*). **Purpose**: to educate the public, media and politicians on scientifically sensible E&E policies and to support those who agree with NIPCC rather than UN-IPCC. **No dues or fixed obligations**.

To join one of four Chapters (Northern VA; Richmond; Piedmont; or Tidewater) contact: <a href="mailto:singer@NIPCCreport.org">singer@NIPCCreport.org</a> and supply mailing address, phone, occupation, and academic background.

Why Virginia: 1. Statewide elections in Nov 2009 (as in New Jersey) will provide a popular referendum

on national climate/energy policies. 2. 'Swing' state (thus more political competition). 3. I live in Virginia.

#### **Quote of the Week:**

#### THIS WEEK

After the farcical G-8 meeting (even though the WashPost tries to spin it as a success), things look bleak for any meaningful agreement from COP-15 in Copenhagen. Of course, there'll be the usual giddy pronouncements and the dramatic all-night session to clinch a final 'victory statement, but they will be empty words. We predict that Obama will not be sending any climate treaty to the Senate for ratification.

And don't expect too much from the US Senate on Cap&Trade – as opposition to the monstrous Waxman-Markey bill keeps building: Its huge cost disguised as an indirect tax on energy use by families; its stifling of economic growth and killing of jobs; its give-aways to lobbyists; its mandates on everyone – from households to industry to electric utilities; its danger to international trade; and its complete ineffectiveness as a climate measure.

\*\*\*\*\*\*\*\*\*\*\*\*

#### **SEPP Science Editorial #22-2009 (7/18/09)**

#### Modern v. Medieval Science

Guest Editorial by Kenneth A. Haapala

A remarkable revolution in thinking occurred in the 17<sup>th</sup> Century – the creation of modern empirical science, which is one of the greatest achievements of civilization. It marks the major difference between the medieval world and the modern world. At the beginning of the Century, most educated people thought in terms of medieval science; at the end of the Century most thought in terms of modern science.

To the medieval scientist what one believes and who believes it were vital. To the modern scientist how and why is most important. Beliefs are tentative, not dogmatic; they are based on evidence, not authority or intuition. To the modern scientific mind, if pronouncements from authorities, be they Aristotle, religious leaders, governments, computer models, etc., do not stand up to empirical observation; then, they are wrong.

Copernicus hypothesized that the Earth has a twofold motion: a daily rotation, and an annual revolution about the Sun. Man was no longer the center of the universe with his place on a fixed Earth -- which outraged religious leaders, Catholic and Protestant, as well as Aristotelian scientists. Kepler simplified the hypothesis by using elliptical orbits, questioning the assumptions of the ancients who believed heavenly bodies must move in perfect circles.

Galileo insisted that scientific knowledge comes from repeated observations and experiments which he used to develop the concept of acceleration, the law of falling bodies, the parallelogram law, and, using the telescope, discovered that the Sun is not immutable, there are more than seven heavenly bodies, etc. – all contradicting Aristotelian scientists. Newton built upon these works for his laws of motion and the universal law of gravitation, from which came planetary theory, orbits of comets, etc.

The remarkable change in thinking included the elimination of the animist belief of life force, which has no place in physics. Purpose is not needed to explain scientific procedures, comets are not portents, authority and assumptions are to be constantly questioned, skepticism is vital to expanding knowledge, and experiments and observations are paramount.

A very disturbing trend is the dogmatic belief that Man is the principal cause of the recent warming. It appears to be a regression to medieval science, with its claimed 'consensus' and its insistence on the authority of the UN-IPCC and computer models. Yet the assumptions of the models have not been tested and the models fail basic empirical tests such as the "fingerprint" test. The IPCC uses a panel of advocates, "experts," who assign probabilities to their work. This is no better than a panel of Aristotelian scientists assigning probabilities that Galileo is wrong.

We must not return to medieval thinking.

\*\*\*\*\*\*\*\*\*\*\*\*\*

- 1. G8: up in smoke Alan Moran (IPA)
  The long, fractious road to global climate talks in Copenhagen WashPost
- 2. Obama's 'Climate Astrologer'- Marc Morano
- 3. EPA Cover-Up -- Walt Williams
- 4. Boiling the Frog -- Paul Krugman
- 5. The 'Cap and Tax' Dead End Sarah Palin
- 6. CBO Lowballs Waxman-Markey Cost IBD
- 7. Cost of AB32 on California Small Businesses Business Wire
- 8. The Summit of Green Futility and Response -- WashPost
- 9. Electric Cars Can Save Oil And Money S. Fred Singer

#### **NEWS YOU CAN USE**

John Droz, Jr, reports:

After investigating the recently released **National Academies of Sciences report on renewable energies**, *I was simply astounded by the corruption I found in the Academies process*. I have had numerous correspondences with top-level people there, which only exposed more deficiencies. Although there are many good people associated with the Academies, *it is now quite clear to me that lobbyists have targeted and have now successfully infiltrated this once esteemed organization*. I have appealed to the top people in the organization to fix this problem, but so far there has been no response. Here is my article about NAS, which I will update: <a href="http://www.northnet.org/brvmug/WindPower/NationalAcademies.pdf">http://www.northnet.org/brvmug/WindPower/NationalAcademies.pdf</a>

-----

Another key article I was inspired to write is an expos of the very foundation of most of our energy problems: **the computer model.** The unfortunate fact is that almost everyone gives these models much more credit than they merit. When models *are* questioned, it seems like the discussion is only about whether some particular consideration has been addressed. Such commentary is frittering on the fringes, and completely misses the big picture issue. The more important question is: **are computer models capable of accurately translating complex real-world situations (climate change, wind power projections, financial derivatives, etc.) into ones and zeros?** As a scientist who has also been a computer programmer, I say NO. *Our lives have steadily and subtly been taken over by computer programmers. We need to not only recognize the impact of this intrusion, but to object to their false* 

implications of capability.

http://www.energyblogs.com/WiseEnergyDecisions/index.cfm?mode=entry&entry=76258503-1372-574A-8C5F2CF22ED85651

-----

#### More about Cap & Trade (Waxman-Markey):

http://www.capwiz.com/americansforprosperity/issues/alert/?alertid=13675206.

A good question: Since C&T seemed to work well for Acid Rain, why not give it a chance for CO2? In a nutshell, the answer is that this is comparing apples to oranges or more accurately tomato plants to palm trees. There are profoundly large differences between these two programs.

http://www.thebreakthrough.org/blog/2009/05/cap\_and\_trade\_worked\_for\_acid.shtml

http://www.politickernj.com/alan-steinberg/31105/cap-and-trade-disaster-and-new-jersey-gop

\_\_\_\_\_

Here is a good write-up about **mini-nuclear**: something that I personally think holds a LOT of promise: http://memagazine.asme.org/Articles/2009/July/Nuclears Model T.cfm

Not sure quite what to make of this, but the **Hybrid Nuclear** proposal is interesting:

http://www.energypulse.net/centers/article/article\_display.cfm?a\_id=2076

-----

How Do Climate Models Work by Roy Spencer, climatologist

http://www.drroyspencer.com/2009/07/how-do-climate-models-work/

Global warming: Our best guess is likely wrong by three independent science experts:

<<http://www.media.rice.edu/media/NewsBot.asp?MODE=VIEW&ID=12794&SnID=1419357327>>.

But SEPP says: Not enough time-resolution to decide. Warming may have caused the CO2 increase – not vice versa

\_\_\_\_\_

And there is this fascinating interview with another climate expert: <a href="http://www.spectator.co.uk/the-magazine/features/3755623/meet-the-man-who-has-exposed-the-great-climate-change-con-trick.thtml">http://www.spectator.co.uk/the-magazine/features/3755623/meet-the-man-who-has-exposed-the-great-climate-change-con-trick.thtml</a>
Then there's this accurate perspective: Hysteria is the Real Threat

#### **BELOW THE BOTTOM LINE**

 $\underline{http://www.cnn.com/2009/TECH/07/13/carbon.capture.storage/index.html}$ 

We are not alone in wasteful mega-projects. The big buzz in Central Europe is something called Desertec <a href="http://spiegel.de/wissenschaft/mensch/0,1518,630981,00.html">http://spiegel.de/wissenschaft/mensch/0,1518,630981,00.html</a> It's planned to be a humongous solar-energy project in the Sahara to supply electricity to Europe. Literally burying 400 billion Euros in desert sands (more than half-a-trillion \$, about ten times the total European electric investment) – just to supply 15% of electric consumption – maybe.

\*\*\*\*\*\*\*\*\*

Everyone tries to get into the act and to the trough of money:

KL Ebi, *et al.* U.S. Funding is insufficient to address the human health impacts of and public health responses to climate variability and change. Environ Health Perspect 1 Jun 2009 117(6): p. 857. <a href="http://highwire.stanford.edu/cgi/medline/pmid;19590674">http://highwire.stanford.edu/cgi/medline/pmid;19590674</a>

### 

#### 1. G8: UP IN SMOKE

Common sense from Institute of Public Affairs (IPA-Australia) Alan Moran 10th July, 2009

There was a large dose of whimsy in the G8 leaders getting together in Berlusconi's Italy last week. Not only did it place the host's colourful private life at the centre of the world's stage, but it was further enlivened by the world leaders' decision to adopt targets for emission levels 40 years into the future.

As a target date 2050 is ludicrously beyond the life expectancies of all the leaders adopting it, none would be held responsible for its failure. This aside, the specific numbers adopted make no sense.

What was signed on to at L'Aquila is that the developed countries would reduce their emissions in 2050 by 80 per cent and the developing countries by 50 per cent. Present per-capita emission levels of carbon dioxide are 11.5 and 2.4 tonnes for the developed world and the developing world respectively. The former Soviet block stands at 7.9 tonnes per year.

Using simple arithmetic, by 2050 the 80 per cent cut would leave the developed world with 2.9 tonnes of carbon dioxide per capita and the developing world with less than half of this at 1.2 tonnes per capita. And this is based on the unlikely event of population growth in the developing countries slowing to the level of that in the developed world.

On top of their ethereal time frame, the targets are internally inconsistent. The rich countries are plucking out of thin air goals that they know they will never be able to reach and cannot be made accountable for. And in the process they are consigning the developing world to permanent second-class status with less than half the per-capita emissions they are solemnly pledging to foist on their own constituents. It is little wonder that China and India rejected the agreement before the ink had dried, as did Russia.

The Asian emerging superpowers are increasingly supplying the goods to the debt-ridden and ever more sclerotic western developed economies. Far from being willing to accept a lower level of emissions than the developed economies, these and other rapidly developing countries are clamouring for additional emission credits to take into consideration previous emissions.

The way they see it, for the best part of a century it is the developed countries that have been emitting gases into the atmosphere that they claim is leading to harmful global warming. Any paring back of such emissions should recognise the "sacrifice" the poorer countries' low income levels have made in the cumulative emission totals.

On top of this, the poorer countries, including India and China, want to see one per cent of rich countries' annual GDP transferred to them.

Beleaguered British Prime Minister Gordon Brown has suggested a transfer of \$US122 billion a year. Brown indicated this has the backing of [Australian PM] Kevin Rudd whom he buttered up as "a pioneer of both changing policies and changing attitudes on climate change."

Even though \$US122 billion a year is only about a quarter of the sum claimed by the developing countries, such a magnitude of wealth transfers will never take place. That number and those on emission reductions was put in place simply to allow the leaders to declare victory and allow a platform for the next great leadership jamboree in Copenhagen [in Dec 2009].

But the lack of attention to ensuring some form of internal consistency in the numbers shows that in Italy the eyes of the world's political leaders were focussed on the host's real-life soap opera and not on the great events they met to address.

**A Glass Partly Full:** The long, fractious road to global climate talks in Copenhagen *WashPost editorial, July 16, 2009* 

http://www.washingtonpost.com/wp-dyn/content/article/2009/07/15/AR2009071503380.html

SO THE CLIMATE talks at the Group-of-Eight summit in L'Aquila, Italy, with the world's 17 major greenhouse-gas emitters didn't go as planned. Unrest back home forced Chinese President Hu Jintao to leave before he could get down to negotiating with an engaged American president. Developing nations balked at committing to long-term emissions reductions goals because industrialized countries balked at setting short-term targets. And they were none too pleased that rich nations wouldn't make a firm commitment to help them deal with the effects of climate change. All this spells disaster if you have a glass-half-empty worldview.

But take a look at what was accomplished. All of the nations agreed that the Earth's average temperature should not rise more than 3.6 degrees Fahrenheit (2 degrees Celsius) above pre-industrial levels. The eight leading industrial nations agreed to slash their greenhouse gas emissions by 80 percent by 2050. This is an improvement over the 50-percent reduction that the G-8 agreed to last year and now puts the industrialized world in sync with what the Intergovernmental Panel on Climate Change says is needed to halt the catastrophic consequences of climate change. President Obama played an active role in getting this done, quite a change from the foot-dragging and denial that characterized U.S. climate-change policy under President George W. Bush.

That's not to say that all's smooth sailing to the big climate treaty talks in Copenhagen in December. In addition to the big hurdles mentioned above, the baseline year is fluid -- based on emission levels "compared to 1990 or more recent years." Many European countries wanted reductions based on 1990 levels. The recently passed American Clean Energy and Recovery Act (a.k.a. Waxman-Markey) is pegged to 2005 levels. And thus our attention moves from the hobbled progress abroad to the chaotic road to consensus at home on climate change legislation that Mr. Obama can take to Denmark.

Even with all the compromises, directives, subsidies and other giveaways hurled at members to secure their votes, Waxman-Markey barely made it out of the House last month. It calls for a 17-percent reduction in greenhouse gas emissions by 2020 and 83 percent by 2050 below 2005 levels. It would also give away 85 percent of the pollution credits in the initial years of a complicated cap-and-trade system that would put a price on carbon through a declining cap on emissions set by the federal government. That's a far cry from the 100-percent auction of pollution allowances advocated by Mr. Obama as a presidential candidate.

Sadly, we have no confidence that things will improve in the Senate. Despite holding a news conference in February declaring that the Senate Environment and Public Works Committee would be "starting fresh" and that "we're willing to look at everything," Chairman Barbara Boxer (D-Calif.) is using the cap-and-trade provisions of Waxman-Markey as the template for her committee's bill. Her committee staff promises that members are being creative in looking at how to do things differently to achieve the bill's goals. Unless that includes serious consideration of a properly designed carbon tax or a cleaner cap-and-trade system that auctions a majority of the emissions credits and rebates the money to taxpayers, that's a promise that won't be fulfilled.

-----

SEPP comment: The WashPost boosting of the G-8 'accomplishments' doesn't pass the giggle test

#### 2. OBAMA'S 'CLIMATE ASTROLOGER'

By Marc Morano http://www.newswithviews.com/Morano/marc100.htm

**Excerpt**: Japanese scientist Kanya Kusano, a Program Director and Group Leader for the Earth Simulator at the Japan Agency for Marine-Earth Science & Technology, has publicly declared that man-made climate fear promotion is now akin to "ancient astrology."

Dr. Frank J. Tipler, Professor of mathematical physics and astrophysics, at Tulane University, agrees with Kusano. "Whether the ice caps melt, or expand --- whatever happens --- the AGW theorists claim it confirms their theory. A perfect example of a pseudo-science like astrology," Tipler wrote on May 15, 2009. "It is obvious that anthropogenic global warming is not science at all, because a scientific theory makes non-obvious predictions which are then compared with observations that the average person can check for himself," Tipler explained.

"As we know from our own observations, AGW theory has spectacularly failed to do this. The theory has predicted steadily increasing global temperatures, and this has been refuted by experience. NOW the global warmers claim that the Earth will enter a cooling period."

It is no wonder that the environmental movement is urging its troops to no longer use the term "global warming," as temperatures fail to cooperate. Instead, climate change or "global weirding" -- as New York Times columnist Thomas Friedman has proposed – are preferred. Michigan Democratic Senator Debbie Stabenow declared on March 4, 2009: "Climate change is not just about temperatures going up. It's also about volatility."

#### 3. EPA COVER-UP

Walter E. Williams, Townhall, July 15, 2009

Here's what I wrote in last year's column titled "Global Warming Rope-a-Dope" (12/24/2008): "Once laws are written, they are very difficult, if not impossible, to repeal. If a time would ever come when the permafrost returns to northern U.S., as far south as New Jersey as it once did, it's not inconceivable that Congress, caught in the grip of the global warming zealots, would keep all the laws on the books they wrote in the name of fighting global warming. Personally, I would not put it past them to write more."

On June 28, 2009, the House of Representatives, by a narrow margin (219-212), passed the Waxman-Markey bill. The so-called "cap and trade" bill has been sold as a system for cutting greenhouse gas emissions in the struggle against global warming. There's a full-court press on the U.S. Senate to pass its version of "cap and trade."

"Cap and trade" is first a massive indirect tax on the American people, and hence another source of revenue for Congress. More importantly "cap and trade" is just about the most effective tool for controlling most economic activity short of openly declaring ourselves a communist nation, and it's a radical environmentalist's dream come true.

So why the rush and the press on the Senate? Increasing evidence is emerging that far from there being global warming, the Earth has been cooling and has been doing so for 10 years. Prominent atmospheric scientists have recently sent a letter to Congress saying, "You are being deceived about global warming. ... The Earth has been cooling for ten years. ... The present cooling was not predicted by the alarmists' computer models." Last March, more than 700 international scientists went on record dissenting over manmade global warming claims. About 31,500 American scientists, including 9,029 with Ph.D.s, have signed a petition, that in part reads, "There is no convincing scientific evidence that human release of carbon dioxide, methane or other greenhouse gases is causing or will, in the foreseeable future, cause catastrophic heating of the Earth's atmosphere and disruption of the Earth's climate."

The Obama administration's EPA sees the increasing evidence against global warming as a threat to their agenda and has taken desperate measures. About a week before the House vote on "cap and trade," the Washington, D.C.-based Competitive Enterprise Institute (CEI) released some EPA e-mails, demonstrating that an internal report by Alan Carlin, a 35-year career EPA analyst, criticizing EPA's position on global warming, <a href="https://doi.org/10.1007/journal.com/">https://doi.org/10.1007/journal.com/</a> One of the e-mails is from Dr. Al McGartland, director of the EPA's National Center for Environmental Economics, reads: "The administrator and administration

has decided to move forward on endangerment, and your comments do not help the legal or policy case for this decision. ... I can see only one impact of your comments given where we are in the process, and that would be a very negative impact on our office."

The Competitive Enterprise Institute summarizes Dr. Carlin's report: "EPA, by adopting the United Nations' 2007 'Fourth Assessment' report, is relying on outdated research and is ignoring major new developments. Those developments include a continued decline in global temperatures, a new consensus that future hurricanes will not be more frequent or intense, and new findings that water vapor will moderate, rather than exacerbate, temperature. New data also indicate that ocean cycles are probably the most important single factor in explaining temperature fluctuations, though solar cycles may play a role as well, and that reliable satellite data undercut the likelihood of endangerment from greenhouse gases."

Geologist Dr. David Gee, chairman of the science committee of the 2008 International Geological Congress, currently at Uppsala University in Sweden asks, "For how many years must the planet cool before we begin to understand that the planet is not warming? For how many years must cooling go on?" Obviously, 10 years is not enough.

#### 4. BOILING THE FROG

By Paul Krugman http://www.nytimes.com/2009/07/13/opinion/13krugman.html

**Excerpt:** Still, the boiled-frog problem on the economy is nothing compared with the problem of getting action on climate change.

Put it this way: if the consensus of the economic experts is grim, the consensus of the climate experts is utterly terrifying. At this point, the central forecast of leading climate models not the worst-case scenario but the most likely outcome is utter catastrophe, a rise in temperatures that will totally disrupt life as we know it, if we continue along our present path. How to head off that catastrophe should be the dominant policy issue of our time.

But it isn't, because climate change is a creeping threat rather than an attention-grabbing crisis. The full dimensions of the catastrophe won't be apparent for decades, perhaps generations. In fact, it will probably be many years before the upward trend in temperatures is so obvious to casual observers that it silences the skeptics. Unfortunately, if we wait to act until the climate crisis is that obvious, catastrophe will already have become inevitable.

And while a major environmental bill has passed the House, which was an amazing and inspiring political achievement, the bill fell well short of what the planet really needs, and despite this faces steep odds in the Senate

What makes the apparent paralysis of policy especially alarming is that so little is happening when the political situation seems, on the surface, to be so favorable to action. After all, supply-siders and climate-change-deniers no longer control the White House and key Congressional committees. Democrats have a popular president to lead them, a large majority in the House of Representatives and 60 votes in the Senate. And this isn't the old Democratic majority, which was an awkward coalition between Northern liberals and Southern conservatives; this is, by historical standards, a relatively solid progressive bloc.

#### 5. THE 'CAP AND TAX' DEAD END

http://www.washingtonpost.com/wp-dyn/content/article/2009/07/13/AR2009071302852\_pf.html By Sarah Palin, July 14, 2009

There is no shortage of threats to our economy. America's unemployment rate recently hit its highest mark in more than 25 years and is expected to continue climbing. Worries are widespread that even when the economy finally rebounds, the recovery won't bring jobs. Our nation's debt is unsustainable, and the federal government's reach into the private sector is unprecedented.

Unfortunately, many in the national media would rather focus on the personality-driven political gossip of the day than on the gravity of these challenges. So, at risk of disappointing the chattering class, let me make clear what is foremost on my mind and where my focus will be:

I am deeply concerned about President Obama's cap-and-trade energy plan, and I believe it is an enormous threat to our economy. It would undermine our recovery over the short term and would inflict permanent damage.

American prosperity has always been driven by the steady supply of abundant, affordable energy. Particularly in Alaska, we understand the inherent link between energy and prosperity, energy and opportunity, and energy and security. Consequently, many of us in this huge, energy-rich state recognize that the president's cap-and-trade energy tax would adversely affect every aspect of the U.S. economy.

There is no denying that as the world becomes more industrialized, we need to reform our energy policy and become less dependent on foreign energy sources. But the answer doesn't lie in making energy scarcer and more expensive! Those who understand the issue know we can meet our energy needs and environmental challenges without destroying America's economy.

Job losses are so certain under this new cap-and-tax plan that it includes a provision accommodating newly unemployed workers from the resulting dried-up energy sector, to the tune of \$4.2 billion over eight years. So much for creating jobs!

In addition to immediately increasing unemployment in the energy sector, even more American jobs will be threatened by the rising cost of doing business under the cap-and-tax plan. For example, the cost of farming will certainly increase, driving down farm incomes while driving up grocery prices. The costs of manufacturing, warehousing and transportation will also increase.

The ironic beauty in this plan? Soon, even the most ardent liberal will understand supply-side economics.

The Americans hit hardest will be those already struggling to make ends meet. As the president eloquently puts it, their electricity bills will "necessarily skyrocket." So much for not raising taxes on anyone making less than \$250,000 a year. Even Warren Buffett, an ardent Obama supporter, admitted that under the cap-and-tax scheme, "poor people are going to pay a lot more for electricity."

We must move in a new direction. We are ripe for economic growth and energy independence if we responsibly tap the resources that God created right underfoot on American soil. Just as important, we have more desire and ability to protect the environment than any foreign nation from which we purchase energy today.

In Alaska, we are progressing on the largest private-sector energy project in history. Our 3,000-mile natural-gas pipeline will transport hundreds of trillions of cubic feet of our clean natural gas to hungry markets across America. We can safely drill for U.S. oil offshore and in a tiny, 2,000-acre corner of the Arctic National Wildlife Refuge if ever given the go-ahead by Washington bureaucrats.

Of course, Alaska is not the sole source of American energy. Many states have abundant coal, whose technology is continuously making it into a cleaner energy source. Westerners literally sit on mountains of oil and gas, and every state can consider the possibility of nuclear energy.

We have an important choice to make. Do we want to control our energy supply and its environmental impact? Or, do we want to outsource it to China, Russia and Saudi Arabia? Make no mistake: President Obama's plan will result in the latter. For so many reasons, we can't afford to kill responsible domestic energy production or clobber every American consumer with higher prices.

Can America produce more of its own energy through strategic investments that protect the environment, revive our economy, and secure our nation?

Yes, we can. Just not with Barack Obama's energy cap-and-tax plan.

#### 6. CBO LOWBALLS WAXMAN-MARKEY COST

 $\underline{http://www.ibdeditorials.com/IBDArticles.aspx?id=332376448945205\#}$ 

By INVESTOR'S BUSINESS DAILY, July 13, 2009

Supporters of economy-killing cap-and-trade legislation not only misquote the Congressional Budget Office's report lowballing the costs. They ignore how CBO cooked the books to get its numbers.

We have often cited the CBO in our editorials. It's a nonpartisan entity whose staffers normally do a decent job analyzing data and crunching numbers. But as regards the true cost of climate change legislation, they have fallen victim to the computer-age trap: garbage in, garbage out.

In recent weeks, ABC's "This Week" host George Stephanopoulos twice misquoted a CBO analysis of the Waxman-Markey bill that claims that we can save the planet for the price of a postage stamp per day. How this squared with the Obama administration's admission, even promise, that energy costs would "necessarily skyrocket" he did not explain.

The former Clinton adviser twice made the assertion that the cost of Waxman-Markey was only "about \$150 a year." His first error was not reading the actual report, which puts the figure at \$175.

And that's not every year. The unread report says that's the cost in 2020 after allowing for eight years of transition — not every year in between, for which the true costs are staggering.

The CBO's own numbers do not compute. An earlier June 19 revenue estimate projected that the allowance price — the price to emit carbon dioxide — will be \$28 per ton of CO2 in 2020.

There are 5.056 billion tons of CO2 in the cap that year. So, doing third-grade math gives a \$141 billion gross cost. The CBO, however, lists the 2020 gross cost at \$91.4 billion. Where did that extra \$50 billion disappear? This is how Timothy Geithner does his income tax.

The CBO projected allowance revenues from this carbon tax to be \$119.7 billion, \$129.7 billion, \$136.0 billion, \$145.6 billion and \$152.0 billion for the years 2015-2019. Why the big drop to \$91.4 billion in 2020? It's not explained. And what about the preceding years of escalating costs?

The CBO makes other mistakes, such as assuming the extra costs on energy will be rebated to some degree to consumers to lessen the economic impact. It also considers only the gross costs of taxing carbon emissions, not the impact on GDP or human and economic behavior. GDP costs are totally ignored by the CBO, which it admits in footnote No. 4 on page 3 of the report: "The resource cost does not include the potential decrease in gross domestic product (GDP) that could result from the cap." Note the use of the words "potential" and "could." This is not analysis. This is guesswork and wishful thinking.

So to get at its \$175 cost in 2020, the CBO ignores a GDP loss that year that the Heritage Foundation puts at \$161 billion in 2009 dollars. For a family of four, that's \$1,870 the CBO chose to leave out of its calculations. And that's just the hit to GDP in 2020.

Actually, 2020 is a year when the damage caused by Waxman-Markey is relatively mild. The Heritage Foundation's Center for Data Analysis said the average GDP hit through 2035 was \$393 billion, more than double the 2020 hit. It will reach a high of \$662 billion in 2035. The inflation-adjusted GDP loss works out to \$6,790 per family of four.

Sure, the cost is only \$175 if you ignore the loss in gross domestic product, the increase in energy prices and its impact on the price of everything we produce and consume. Some of this may be rebated in some form, but wouldn't it be better if the costs weren't imposed in the first place?

For all this grief, climatologist Chip Knappenberger says Waxman-Markey would lower temperatures by only hundredths of a degree by 2050 and no more than two-tenths of a degree by century's end.

\*\*\*\*\*\*\*\*\*\*

#### 7. COST OF AB 32 ON CALIFORNIA SMALL BUSINESSES

Varshney & Associates <u>Sanjay@SBVarshney.com</u> Business Wire, 13 July 2009 http://www.businesswire.com/portal/site/google/?ndmViewId=news\_view&newsId=20090713005806&newsLang=en

California Small Businesses Face \$50,000 Cost from State Implementation of AB 32: Study Finds Greenhouse Gas Program Will Eliminate 1.1 Million Jobs and Increase Expenses for Families

SACRAMENTO, Calif.--(BUSINESS WIRE)--A new study released today found that small businesses in California will pay an additional \$49,691 as a result of the California Air Resources Board's implementation of AB 32. Citing severe economic impacts, a coalition of small business organizations called today for the suspension of the regulatory proceedings to implement California's greenhouse gas program until the report's findings are analyzed and mitigation measures are added to the state plan.

The report concluded that when the program is fully implemented, the average annual loss in gross state output from small businesses alone would be \$182.6 billion, approximately a 10% loss in total gross state output. This will translate into nearly 1.1 million lost jobs in California. Lost labor income is estimated to be \$76.8 billion, with nearly \$5.8 billion lost in indirect taxes.

"We support the state's efforts to curb greenhouse gas emissions, but we are very concerned that these costs will apply disproportionally to California small business. Consumers will be hurt and the environmental goals will not be achieved," said Esteban Soriano, Chairman of the California Small Business Association and a founding member of the California Small Business Roundtable.

The analysis of the state Scoping Plan was led by Sanjay Varshney, Dean of the College of Business Administration, and Dennis H. Tootelian, Ph.D., Professor of Marketing and Director, Center for Small Business, California State University, Sacramento. The study reveals that when the plan is fully implemented, California families will be facing increased annual costs of \$3,857.

#### 8. THE SUMMIT OF GREEN FUTILITY

http://www.washingtonpost.com/wp-dyn/content/article/2009/07/13/AR2009071302587.html By Anne Applebaum, July 14, 2009

Two headlines caught my eye last week. "Summit Leaders in Climate Deal" read the one on the front page of the Wall Street Journal Europe. Above it was a picture of 10 smiling heads of state -- the leaders of the Group of Eight, plus China and India. Below was an article that, in contradiction to the cheerful photograph, described how the world's political leaders had failed, once again, to halt climate change by decree. The group could not agree on short-term emissions targets, could

not agree on how developing countries would be compensated for meeting the targets and, indeed, could not even decide from what baseline any targets would be calculated.

Buried on Page 21 of the same newspaper was a story headlined "Ill Winds Blow for Clean Energy"; the picture was of oil billionaire T. Boone Pickens, who has just decided to postpone, until further notice, an investment in a big Texas wind farm. Natural gas prices have fallen so low, it seems, that once-promising investments in alternative energy no longer make sense. Banks that once might have financed such large-scale investments are now unwilling to do so. And thus business leaders are also failing, once again, to halt climate change through technology and entrepreneurship.

Let me be clear: I do not doubt the reality of climate change. I have long accepted that human use of fossil fuels has caused it, and I agree that great efforts should be made to reduce carbon emissions, as well as our politically risky dependence on oil and gas. But I do doubt the wisdom of assuming that eight or 10 politicians will ever solve this problem during a meeting at a conference center, in Italy or any other country. I also question whether even several hundred politicians -- plus their scientific advisers, assorted environmentalists and lobbyists -- will solve this problem at the Copenhagen climate super-summit scheduled for December. At that time, the original signatories of the Kyoto Protocol are supposed to renew their vows and the U.S. delegation is supposed to bow its head and rejoin the club. If everyone can agree, new emissions targets will be set. They will be as unenforceable as the emissions targets we have now.

The truth is that carbon emissions will not be reduced by international bureaucrats, however well-meaning, sitting in a room and signing a piece of paper. They will not be reduced by public-relations campaigns or by Oscar-winning documentaries. Above all, they will not be reduced by a complex treaty that neither the United Nations nor anyone else can possibly supervise, particularly not a treaty that effectively punishes those countries that abide by it and ignores everyone else. They can, however, be reduced by the efforts of entrepreneurs such as Pickens. If he and others can find economically viable ways to produce clean energy, then the problem will solve itself without the aid of a single international conference. To put it another way: The first solar power billionaire will have many, many imitators.

American politicians who really care about climate change -- I'm assuming this includes our president, as well as a majority in Congress -- should skip the summits and instead ask themselves why the oil and gas prices that started rising a couple of years ago (creating a boom in alternative-energy research) have once again dropped to an artificial low. Why artificial? Because the price of fossil fuels has never reflected their true cost, either environmental or political. It doesn't reflect the cost of the U.S. military presence in the Middle East. It doesn't reflect the cost of treating asthma. And it certainly doesn't reflect the cost of rescuing bits of the coast of Florida that will be submerged by rising sea levels. Raise the taxes on fossil fuels to reflect those costs, and Pickens's project, along with many others, will once again be viable.

It's also time for those international politicians who really care about climate change -- I'm assuming this includes at least the Europeans, as well as the Canadians -- to move on. The drama is over: The American president and the U.S. delegation have rejoined the negotiations. There is no further need for green, self-righteous preening. Attacks on greedy, polluting Uncle Sam will fall flat. Instead of pontificating at summits, they, too, should go home, brave the wrath of their voters and slap higher taxes on fossil fuels in their countries. If you care about the planet, save the jet fuel, cancel the conferences and focus on creating the economic conditions for energy entrepreneurship. Then, this problem will eventually solve itself.

#### Response by S. Fred Singer:

Dear Anne, You are half right when you conclude that "this problem will eventually solve itself." Of course it will – even if we do nothing. That's because there is no "climate problem." The changes we are seeing – some warming in the 20<sup>th</sup> century, and none in the past decade – have nothing to do with the emission of carbon dioxide from the burning of oil, gas, and coal. How do we know that? An independent International Panel of climate scientists, not beholden to the UN

or any government, has analyzed the data in 4000-plus peer-reviewed publications and just issued its 880-page report (see <a href="www.nipccreport.org">www.nipccreport.org</a>). A lot of reading, to be sure, but there is also a 40-page Summary, entitled "Nature, not human activity, rules the climate."

#### 9. ELECTRIC CARS CAN SAVE OIL AND MONEY

Letter to IBD SFS/July 8, 2009 By S Fred Singer

The report on electric cars by the Government Accountability Office (A government report says reliance on electric cars will do little to reduce greenhouse gas emissions and may merely shift our dependence on foreign sources from one set of dictators to another. IBD editorial July 8) misses the point. It seems to accept the judgment of the UN climate panel (IPCC) that global warming of the past decades is manmade and ignores the fact that there is no firm evidence to support such a conclusion. None! The independent Non-governmental International Panel on Climate Change (NIPCC), using peer-reviewed science reaches the opposite conclusion: Nature, not human activity, rules the climate.

Once one accepts the fact that increases of carbon dioxide have little effect on climate, as the new and better scientific evidence suggests, it matters not whether electric vehicles reduce CO2 emissions by 5%, 25% -- or not at all. Since global warming is a phantom problem, the true advantage of electric 'plug-in' cars is that they reduce the consumption of gasoline and therefore the amount of oil imports and dollar outflows to OPEC.

The other great advantage is the reduced cost of operation. 'Off-peak' electric power, available mostly at night, is cheap, as low as 2 cents (fuel cost) per kilowatt-hour, and even less for nuclear plants. A gallon of gasoline has an energy content of about 40 kWhr, and therefore an equivalent cost of only 80 cents per gallon. But further, the energy efficiency of electric drives is at least three times that of a mechanical drive using an internal combustion engine. In start-and-stop urban traffic, and in hilly terrain, the efficiency gain is even greater, thanks to no idling losses and to 'regenerative braking,' which feeds the energy of motion back into the battery instead of dissipating it as heat in the brake drums. With gas prices around \$3 per gallon, the average annual savings in fuel costs amount to about \$1200 – not an insignificant amount. Many households would save double that amount.

True, we need better and cheaper batteries. But a lot of smart people are working hard to do just that – with or without government incentives. The capitalistic system provides ample rewards to inventors.

# 10. A LOAD OF HOT AIR: THE FOLLY OF WIND ENERGY IN BRITAIN (AND ELSEWHERE)

Spending £100bn on wind farms to please the EU is Labour's greatest act of lunacy By Christopher Booker, 26th June 2008

Today, a giant new wind turbine soars the height of a London tower block above the Mendip hills where I live in Somerset. A perfect symbol of what is arguably the greatest single political madness engulfing Britain today. Although this 330ft monster will produce an income of £500,000 a year for the company that built it - nearly half of it in subsidies paid by all of us through higher electricity bills - the amount of power it contributes to our national grid will be so derisory as to scarcely register. I know something about this turbine because I was the chairman of a group that was set up to campaign against it.

Wind farms: Expensive and inefficient, but the craze for all things 'green' has blown away common sense When we persuaded our local council unanimously to reject it, on the grounds that it broke all the normal planning rules, we thought we had won the argument. But then a government inspector was sent to Somerset from London to rule that this decision had to be set aside. All that mattered was that we must meet a target set by the EU, which requires Britain within the next 12 years to generate 38 per cent of our electricity from 'renewable' energy sources. At present, barely 1 per cent of this country's power comes from the 2,000 wind turbines already built - less than the output of a single conventional power station. That is why, in response to the EU's requirements, the Government is today publishing its plans for a massive new drive to build thousands more turbines, at the staggering cost of £100 billion. Here we are already into cloud-cuckoo land. To comply with the EU's wishes, we would actually need to build at least 30,000 turbines.

Crazy: Brussels will not stop until Britain's coast and inland is dotted with thousands of wind farms In fact, as the Government knows, there is not the remotest chance that we can meet that EU target, which is why it talks about building only 10,500 new turbines - 7,000 offshore, another 3,500 across our countryside. On its own figures, the Government is already implicitly admitting that we shall hopelessly miss our target. Of course, ministers do not tell us that. But this is only the start of the madness. There isn't, in fact, the faintest chance that we can meet even the Government's own much smaller target. To build those turbines offshore alone would mean lowering 7,000 colossal steel structures into the seabed, each the size of Blackpool Tower, at a rate of more than two every working day between now and 2020.

In practical terms alone this is sheer pie-in-the-sky. The technical resources are simply not available to achieve more than a tiny fraction of this figure. But there is another important point the Government is trying to conceal about this crackpot policy, as it always does when it is talking in Walter Mitty numbers about the supposed benefits of wind power. This is the unavoidable fact that wind speeds around the British Isles are constantly varying, often providing no power at all - so that the electricity actually generated by these turbines represents only between a quarter and a third of their nominal 'capacity'. What this means is that conventional coal, gas, oil or nuclear-fired power stations must be on permanent stand-by to provide all the electricity the turbines are not able to produce when the wind is not blowing.

Earlier this month, Paul Golby, the chief executive of the German-owned E.ON (one of our largest electricity companies), came up with the shattering admission that the back-up needed for our new wind turbines would amount to 90 per cent of their capacity. This alone would mean building scores more gas and coal-fired power plants to guarantee continuous supply during those times when the wind is not blowing and therefore the turbines are not generating any electricity. It is this which reveals the true enormity of the madness now confronting us - because Britain already faces an unprecedented crisis over its energy supplies, even before our infatuation with wind power is taken into account. For the sum of £100 billion which the Government plans to spend on the new turbines, we could buy 37 'carbon-free' nuclear power stations at current prices, permanently supplying enough electricity to cover all our current needs.

And we need this new generating capacity right now. Within seven years, due to the obsolescence of the existing nuclear plants (which still supply 20 per cent of our electricity) and the forced closure of nine more coal and oil-fired plants under new EU anti-pollution rules, we stand to lose well over a third of the capacity we need to meet peak demand. This alone threatens disaster, since the Government still does not have any concrete plans in place to make up the shortfall. We thus face the real prospect not just that our lights will go out, but that we should lose the use of the computers on which our offices, supermarkets, hospitals and transport system now depend to supply us with the necessities of life. Yet, on top of this colossal policy failure, our Government is now babbling about a massive drive for wind power which could only make this disaster infinitely worse. All this represents such a flight from reality that it is hard to think of any historical precedent.

The only beneficiaries from this madness are the handful of companies now looking forward to a massive bonanza, as the Government pulls out all the stops, such as further bending the planning rules, to enable them to build thousands more virtually useless wind turbines. A great myth about wind power is that it is a 'free' source of energy. The wind itself may be free, but the cost of harnessing it (and providing the vital backup) makes electricity from wind up to three times more expensive than that from the conventional

power plants, which still provide 96 per cent of all our electricity. The only reason why it pays developers to build turbines is the huge hidden subsidy we all give them through our electricity bills. The electricity companies are compelled by law to buy the energy from these turbines at nearly twice the normal price - and then pass on the extra cost to us. In years to come, we shall look back on 'the great wind scam' as having been one of the greatest blunders of our age. But right now it seems not the slightest chink of reality is breaking in on this madness. Our opposition parties seem just as much in its grip as those who rule us in Westminster and Brussels. Alas, Britain's energy policy is today blowing in the wind. Literally.

\_\_\_\_\_

### Wind farms will be a monument to an age when our leaders collectively went off their heads Christopher Booker, 14th July 2009

Let us be clear: Britain is facing an unprecedented crisis. Before long, we will lose 40 per cent of our generating capacity. And unless we come up quickly with an alternative, the lights WILL go out. Not before time, the Confederation of British Industry yesterday waded in, warning the Government it must abandon its crazy fixation with wind turbines as a way of plugging this forthcoming shortfall and instead urgently focus on far more efficient ways to meet the threat of a permanent, nationwide black-out. There are a few contenders for the title of the maddest thing that has happened in our lifetime.

**Controversial:** But a front-runner must be the way in which politicians of all parties have been seduced by the La-La Land promises of the wind power lobby. If you still haven't made your mind up about wind power, just consider some of the inescapable facts - facts which the Government and the wind industry do their best to hide from us all. So far we have spent billions of pounds on building just over 2,000 wind turbines - and yet they contribute barely one per cent of all the electricity that we need. The combined output of all those 2,000 turbines put together, averaging 700 megawatts, is less than that of a single, medium-sized conventional power station.

What's more, far from being 'free', this pitiful dribble of electricity is twice as expensive as the power we get from the nuclear, gas or coal-fired power stations which currently supply well over 90 per cent of our needs - and we all pay the difference, without knowing it, through our electricity bills. But despite its best efforts to conceal the fact that wind turbines expensively and unreliably generate only a derisory amount of electricity, the Government keeps on telling us of its megalomaniac plans to build thousands more of them - at a cost of up to £100billion. The prime reason for this is that we are legally obliged by the European Union to generate 32 per cent of our electricity from 'renewable' sources by 2020. And with just 11 years to go until that deadline, we hope to meet the target by building highly-subsidised wind turbines.

But this is a farce. In fact, as the Government is privately well aware, there is not the faintest hope that we can do anything of the kind - even if we wanted to. Gordon Brown talks airily of building 4,000 offshore turbines by our target date - plus another 3,000 onshore. But this would mean sticking two of these 2,000-ton monsters, each the height of Blackpool Tower, into the seabed every day for the next 11 years. Nowhere in the world has it proved possible to install more than one of them a week. The infrastructure simply isn't there to build more than a fraction of that figure. Furthermore, such are the weather conditions around Britain's coasts that it is only possible to work on these projects for a few months every summer. Then there are the 3,000 promised onshore turbines - many of which are to be erected in the most beautiful stretches of Britain's countryside. These are meeting with so much local hostility that the Government has continually had to bend the planning rules in order to force them through over the wishes of local communities and the democratic opposition of local councils.

But wind power is not just the pipedream of deluded politicians. As the CBI was trying to warn yesterday, the real disaster of this great wind fantasy is that it has diverted attention from the genuine energy crisis now hurtling towards us at breakneck speed. For while the Government is trying to force a scattering of useless wind turbines through the planning offices, the truth is that the rest of us will lose 40 per cent of our power stations within as little as seven years. If this happens, and we don't have an alternative, our kettles won't boil, our computers won't work and our country will face economic meltdown. There is little hope now of an 11th hour reprieve. Eight of our nine nuclear power stations - which presently supply 20 per cent of our electricity needs - are so old they will have to close. Nine more large coal and oil-fired power plants

will also be forced to shut down under an EU anti-pollution directive. But more alarming still is the astonishing naïveté of almost all our politicians when it comes to working out how we are going to fill the 40 per cent shortfall left in their wake.

Very belatedly, the Government has said that it wants to see a new generation of nuclear reactors. Yet there is little hope that any of them can be up and running earlier than 2020. What's more, they will have to be built by foreign-owned companies because, as recently as October 2006, the Government sold off our last world-class nuclear construction company, Westinghouse, to the Japanese at a knockdown price. At the same time, our Energy And Climate Change Secretary, Ed Miliband, now says he will not allow any new coal-fired power stations to be built unless they have 'carbon capture' - piping off CO2 to bury it in holes in the ground. This technology not only doubles the price of electricity but hasn't even yet been properly developed. And so the only hope of keeping the lights on will be to build dozens more gas-fired power stations - at a time when North Sea gas is fast running out.

And then we will be forced to rely on imports from politically unreliable countries such as Russia, at a time when gas prices are likely to be soaring. In any event, over the past 20 years, our politicians have made an even more unholy shambles of Britain's energy policy than they have of our economy - and the cost, when the chickens come to roost in a few years' time, will be almost unimaginable. The causes of Britain's impending energy crisis are manifold. Michael Heseltine's 1992 'dash for gas', when he closed down most of our remaining coal mines because North Sea gas was still cheap and abundant, and because its CO2 emissions were only half those of coal, was one of them.

But nothing has done more to take the politicians' eye off the ball, egged on by environmentalist groups such as Friends Of The Earth and Greenpeace, than their quite incomprehensible obsession with windmills. For these white elephants can never produce more than a fraction of the electricity we need, and by no means always when we need it - as we saw last winter when, for weeks on end, they were scarcely turning at all. Do politicians never look outside the windows of their centrally-heated offices to see how often the wind is not blowing? The Government has now shovelled so much money in hidden subsidies into the pockets of the turbine companies that the 'wind bonanza', promoted on a host of fraudulent claims, has become one of the greatest scams of our age. But if and when our lights do go out, it will be important to remember just why we got carried away by such a massive blunder. Left with a land blighted with useless towers of metal, we shall look on those windmills as a monument to the age when the politicians of Britain and Europe collectively went completely off their heads.