The Week That Was 2010-07-31 (July 31, 2010) Brought to you by SEPP (www.SEPP.org)

Ouote of the Week

"The first to present his case seems right, till another comes forward and questions him." -- Proverbs 18:17

Number of the Week: \$32 Billion -- \$32,000,000,000

THIS WEEK:

By Ken Haapala, Executive Vice President, Science and Environmental Policy Project (SEPP)

On Thursday afternoon, the ten groups that petitioned EPA to reconsider its finding that carbon dioxide emissions endanger public health and welfare received notice that the petitions have been denied. This was not unexpected.

The notice quotes the May 2010 report of the National Research Council of the National Academy of Sciences, *Advancing the Science of Climate Change*:

"[T]here is a strong, credible body of evidence, based on multiple lines of research, documenting that climate is changing, and that these changes are in large part caused by human activities... . Climate change... poses significant risks for – and in many cases is already affecting – a broad range of human and natural systems."

The June 5, 2010 TWTW' Science Editorial discussed this report. "The report ... claims that the climate is warming and that the **cause** is human." "The first claim of this federally funded \$6-million exercise is meaningless and trivial, the second claim is almost surely wrong. Their recommendation is that the United States should put a price on carbon to staunch emissions of CO2; it is pointless, counterproductive, and very costly."

Clearly, the leadership for the National Academy of Sciences has placed that venerable organization in the camp of those demanding expansion of government power and control over the American economy. This entire exercise requires abandoning knowledge of the earth's history.

The EPA notice opens with this sentence: "EPA determined in December 2009 that climate change caused by emissions of greenhouse gases threatens the public's health and **the environment**." [Bold face added] The Constitution discusses protecting public health and welfare, not the more nebulous term **the environment** which could be used to justify regulation of virtually all human activity.

The response to the petitions is some 590 pages long. In addition to the NAS study the notice references other studies including the IPCC Assessment Report, the 2009 study by the U.S. Global Change Research Program and a NOAA study released on July 28, 2010, no doubt especially prepared for the occasion. Also the notice references the three British inquiries into Climategate, the Netherlands assessment of the IPCC report, and the Penn State investigation of Michael Mann. It will not be a quiet August for those who have petitioned the courts to review the EPA endangerment finding.

It appears that US tax-and-cap is dead, at least for now. A clear indication is the speed in which many of the proponents are disavowing any association with Kerry-Lieberman. Of course the "greedy corporations" that participated in drafting the bill are receiving much of the blame. Little is said about the big corporations in the Green Industry that spent millions of dollars in promoting Kerry-Lieberman. These include National Resources Defense Council, Pew Center on Global Climate Change, Environmental Defense Fund and The Nature Conservancy. Future letters from these corporations soliciting donations will be an interesting read.

With a few exceptions, those passing blame fail to consider that Washington has divorced itself from the public and the public recognizes it. Economic growth is weak, the unemployment rate is 9.5% and U-6 is above 17%. [The U-6 estimate includes of those no longer looking for work and those who are working part-time but desire full time work.] Even the White House realizes the economy is not doing well. Last Friday it released its mid-session economic report stating that it is expected that unemployment will remain above 9% through 2011. Further, as discussed in articles referenced below, the authoritarian attitude and the hyperbole of the cap and tax promoters is wearing thin. (Please see articles under Challenging the Orthodoxy.)

Still of concern is the possibility of an energy bill that includes a Renewable Electricity Standard (RES), namely solar and wind. Senate Majority Leader Harry Reid states he does not have the votes for RES, but someone may try to sneak one in. RES will have disastrous economic consequences. The Federal government greatly contributed to the sub-prime mortgage disaster by requiring lenders to offer sub-prime loans, but consumers were not forced to take them. RES will require utilities to provide sub-prime electricity that the consumers will be forced to buy at premium prices.

The BP Gulf gushing well has been capped, stopping the flow into the Gulf for the past two weeks. The cap held during a tropical storm. Permanent measures are nearing completion. It is now clear that the environmental damage is significantly less than many predicted (see *Time* magazine, http://tiny.cc/30a1s) and little or no oil is headed to the beaches of the Florida Keys, the East Coast of the US, much less the shoreline of Europe, which some had forecast. Much of the oil has dissipated and the remaining oil is in a circular pattern in the Gulf. (Please see the *Time* article referenced below.)

<u>Number of the Week</u> is \$32 Billion. That is the announced pre-tax charge BP is taking for liabilities and expenses relating to the Gulf spill. This is softened by a \$9.9 Billion tax credit BP plans to take off its US taxes. Tax loopholes are amazing. However, BP replaced its president, its stock lost about 40% of its market value, it suffered a \$17 Billion loss for the quarter, and is attempting to sell assets estimated to be worth \$30 Billion.

However, these losses are not sufficient for many in Washington, who are demanding that the entire oil industry be punished for the poor practices of BP. These politicians fail to realize that punishing the entire US oil industry will punish the American public.

SEPP SCIENCE EDITORIAL #23-2010 (July 31, 2010)

By S. Fred Singer, President, Science and Environmental Policy Project

BOOK REVIEW: Climate Cover-up: The Crusade to Deny Global Warming,

by James Hoggan and Richard Littlemore. Greystone Books, Vancouver, BC. 2009. 250 pp.

Anyone who has seen the smear DeSmogBlog (http://www.desmogblog.com)will find more of the same in this hastily-written book which continues to smear on an even larger scale. For example, on page 39 it describes me as a "tobacco-sponsored scientist" which is totally untrue.

Later, on page 80, it mentions me again as a "hard working climate change denier who has done no obvious scientific work in the field for years." It lists me as an advisor to the organization "TASSC" (The Advancement of Sound Science Coalition, http://tiny.cc/xu48v) which is also completely untrue. In fact, I have never been associated with TASSC in any way --although I do commune with many of the other groups listed, all respected conservative think tanks.

I gladly take credit for conducting, in 1992, what may have been the first survey of expert opinions on global warming. It included all of the members of technical committees of the American Meteorological Society and showed, for the first time, the existence of considerable professional skepticism about global warming promotion. The 1995 Leipzig Declaration carries this further; and contrary to Hoggan, all of the signatures are on file. Of course, Leipzig was outdone by the Oregon Petition Project (http://www.oism.org/pproject/),, which eventually garnered over 31,000 signatures from American scientists and engineers (p.108).

Not surprisingly, Hoggan puts a great deal of stock in the claims of journalist Ross Gelbspan, who asserts in his book "The Heat is On" that climate skeptics were drawing major financial support from coal and oil interests. While I cannot speak for others, this is simply not true in my case. And would it have mattered?

One whole chapter is devoted to my libel suit against one Justin Lancaster. Of course, Hoggan misrepresents the facts, which are fully laid out in the book "Politicizing Science" (Michael Gough, ed. Published by Hoover Institution, Stanford, 2003). It all started when Al Gore was running for Vice President. He faced great embarrassment since his guru, Professor Roger Revelle, had published a somewhat skeptical article in an obscure journal, together with me and Chauncey Starr. This led to an attack on Singer by Lancaster, a Gore groupie, who first claimed that Revelle was not a coauthor. When this did not work, he then claimed that Singer had taken advantage of Revelle's advanced age. When this didn't work either, he was finally forced to retract and apologize in order to avoid a trial that would have cost him a great deal of money and ruined his reputation forever. More recently, however, Lancaster has retracted his retraction and has left himself open to another lawsuit; but it may not be worthwhile to sue him. In any case, there is ample evidence in Revelle's writings of his skeptical views on the global warming issue -- sufficient to undermine any claim that Lancaster might have.

Hoggan has his heroes, people like Gelbspan and Naomi Oreskes, who are fully expert in smearing people. And he also has his enemies, whom he tries to pull down: Freeman Dyson Sallie Baliunas, Tim Ball, Stephen Milloy, and of course me.

But always it's the same story: accusations of being in the pay of the oil industry or tobacco lobby or worse. Lyndon Larouche makes an appearance, in connection with a story about melting glaciers, traced to Singer's website and based on a wrong reference. As a result, another Hoggan's hero, British smear artist George Monbiot, is credited with breaking "one of the all-time-great climate disinformation stories" (p.162). We haven't heard much from George Monbiot since exaggerations of glacier melt in the Himalayas was exposed.

It's too bad that Hoggan's book appeared just before ClimateGate broke. His book title would have fitted perfectly, by changing only a single word: "Climate Cover-up: The Crusade to <u>Hype</u> Global Warming."

ARTICLES: [For the numbered articles below please see the attached pdf.]

1. The Job Moratorium

Editorial, IBD, July 28, 2010

http://www.investors.com/NewsAndAnalysis/Article/541937/201007281900/The-Job-Moratorium.aspx

2. The Burning Woman Festival of Global Warming: Step up to the stake, Ms. Curry

By Thomas Fuller, Washington Examiner, July 30, 2010

http://www.examiner.com/x-9111-Environmental-Policy-Examiner~y2010m7d30-The-Burning-Woman-Festival-of-Global-Warming-Step-up-to-the-stake-Ms-Curry?cid=examiner-email

3. 2010 Heats Up News Hype Over Global Warming

Morning shows, USA Today focus on 'record' heat; offer dire predictions about droughts, floods and snowfall.

By Kyle Gillis WSJ, July 21, 2010

http://online.wsj.com/article/SB10001424052748703724104575379313351584040.html

4. BP's Problem Was Bad Execution

By David W. Keefe, Letter, WSJ, July 26, 2010

 $\frac{\text{http://online.wsj.com/article/SB10001424052748704684604575381950110700516.html?mod=ITP_opinion_1}{\text{on}_1}$

5. Cap-and-Trade's Market Failure

By Joseph Bast, American Thinker, July 28, 2010

http://www.americanthinker.com/2010/07/capandtrade market failure.html

6. Big Footed by the EPA in Brooklyn

Thanks to the federal government, developers can't revitalize one of the country's most toxic urban waterways.

By Julia Vitullo-Martin, WSJ, July 24, 2010

 $\frac{\text{http://online.wsj.com/article/SB10001424052702303960604575158202183842256.html?mod=ITP_opinion_0}{\text{on}_0}$

[SEPP Comment: Find someone to punish first; then worry about the clean-up.]

NEWS YOU CAN USE:

ClimateGate Continues

Climategate Inquiries: It's up to Graham Stringer and Andrew Montford now

By Tony Newbery, Harmless Sky, July 22, 2010 [H/t Francois Guillaumat]

http://ccgi.newbery1.plus.com/blog/?p=318#more-318

Data Stonewalling Resumes

By Steve McIntyre, Climate Audit, July 23, 2010 [H/t Francois Guillaumat] http://climateaudit.org/2010/07/23/data-stonewalling-resumes/

Global Temperature and Data Distortion Continue

By Tim Ball, Canada Free Press, July 29, 2010 [H/t Marc Morano, Climate Depot] http://canadafreepress.com/index.php/article/25940

Kola versus Yamal

By Steve McIntyre, Climate Audit, July 29, 2010

http://climateaudit.org/

[SEPP Comment: If you accept tree rings, more evidence that 1930 to 1955 was warmer than the 1990s in northern Europe. By 1990, temperatures had fallen to the 1870 "pre-industrial" level.]

More on Oxburgh's eleven

Bishop Hill, July 14, 2010

http://bishophill.squarespace.com/blog/2010/7/18/more-on-oxburghs-eleven.html

Mrs. Madoff Exonerates Michael Mann

By Paul Driessen, Townhall, July 24, 2010, [H/t Deke Forbes]

http://townhall.com/columnists/PaulDriessen/2010/07/24/mrs_madoff_exonerates_michael_mann

Challenging the Orthodoxy

The Death Of The Global Warming Movement

The Reid energy bill abandons cap-and-trade, dooming the cause.

By Shikha Dalmai, Frobes.com, July 28, 2010 [H/t Real Clear Politics]

http://www.forbes.com/2010/07/28/climate-change-movement-harry-reid-opinions-columnists-shikha-dalmia.html?boxes=opinionschannellatest?utm_source=emailalerts&utm_medium=email&utm_campaign=Environment

[SEPP Comment: The Public is not buying. Hyperbole has limitations, so does propaganda.]

Science Turns Authoritarian

By Kenneth Green and Hiwa Alaghebandian, The American, July 27, 2010 [H/t Real Clear Politics] http://www.american.com/archive/2010/july/science-turns-

 $\underline{authoritarian?utm_source=emailalerts\&utm_medium=email\&utm_campaign=Environment}$

[SEPP Comment: It is not that the public has lost interest in science, it is the attitude of the alarmists.]

Global Sea Surface Temperature Update: The Cooling Continues

By Roy Spencer, July 30, 2010

http://www.drroyspencer.com/

[SEPP Comment: Cooling of the oceans is following cooling of the El Nino area of the oceans. Will cooling of the land follow as well?]

Defending the Orthodoxy

Past Decade Warmest on Record According to Scientists in 48 Countries

Earth has been growing warmer for more than fifty years

NOAA, July 28, 2010 [H/t Craig Idso]

[SEPP Comment: The satellite data reveals that temperatures peaked in 1998, an El Niño year. Following another El Niño they reached a somewhat lower peak early this year and are now falling. Between these two peaks there was no clear trend which contradicts carbon dioxide warming. The temperature **level** does not justify a claim of a temperature **trend** due to carbon dioxide.]

Research says climate change undeniable

By Fiona Harvey, Financial Times, July 28, 2010

http://www.ft.com/cms/s/0/6d1fd25c-9a69-11df-87fd-00144feab49a.html

[SEPP Comment: Three major measurements are given in the article: sea level rise starting in 1870, sea surface temperature starting about 1850, and temperature over land starting about 1850 – all are doubtful. Some tidal gages show a rise in sea levels others show a fall. The data does not address the rise in sea levels for the last 18,000 years, thus gives no historic significance. Sea surface temperature data

prior to the satellite era or deployment of buoys are speculative. As noted above, sea surface temperatures are dropping. Hadley- CRU has admitted it lost the historic land temperature record, thus the manipulation of this data cannot be independently replicated making it a leap of faith.]

UN climate talks in the mire

By Richard Black, BBC News, July 23, 2010

http://www.bbc.co.uk/blogs/thereporters/richardblack/2010/07/un_climate_talks_mire.html

The Left and Its Talking Points

By Russell Cook, American Thinker, July 29, 2010

http://www.americanthinker.com/2010/07/the_left_and_its_talking_point.html

[SEPP Comment: Why, so frequently, the same clichés on global warming are used by journalists.]

Heat Wave

When the City Really Sizzled

Hundreds of deaths, cops delivering ice and a horse carcass on most streets.

[SEPP Comment: Summer in New York, before modern use of fossil fuels. The smell of the rotting flesh, garbage, and animal excrement must have been overpowering.]

Peru declares emergency over weather

By Dan Collyns, BBC News, Lima, July 24, 2010 [H/t Marc Morano]

http://www.bbc.co.uk/news/world-latin-america-10749124

[SEPP Comment: Things are upside down in the Southern Hemisphere.]

Cap and Tax and Similar Schemes

Tougher standards for new coal fired power stations: Gillard

Sydney Morning Herald, July 23, 2010 [H/t Malcolm Roberts]

 $\frac{http://www.smh.com.au/federal-election/tougher-standards-for-new-coalfired-power-stations-gillard-20100723-10nlk.html\#poll$

[SEPP Comment: The non-scientific poll at the end of the article showed 90% of the 18,727 respondents considered the PM's 'consensus-building' approach to emissions-trading to be "a load of hot air."]

Paving the Way to Our Clean Energy Future

By Sen. Harry Reid, Huffington Post, July 23, 2010 [H/t Real Clear Politics]

http://www.huffingtonpost.com/sen-harry-reid/paving-the-way-to-our-

cle_b_657824.html?utm_source=emailalerts&utm_medium=email&utm_campaign=Environment

Brownback's Mountain

By William Yeatman and Ian Murray, National Review On Line

http://article.nationalreview.com/438846/brownbacks-mountain/william-yeatman-and-iain-murray

[SEPP Comment: Will a renewable electricity standard appear in the energy bill forcing consumers to buy sub-prime electricity?]

A Push for Action on Renewables

By John Collins Rudolf, NYT, July 28, 2010

http://green.blogs.nytimes.com/2010/07/28/a-push-for-action-on-renewables/?ref=science

[SEPP Comment: A push for sub-prime electricity.]

Cap-And-Trade On Ice

IBD Editorial, July 26, 2010

 $\underline{http://www.investors.com/NewsAndAnalysis/Article/541629/201007261911/Cap-And-Trade-On-Ice.aspx}$

Chinese firms cashing in on EU carbon trade

EurActiv, July 16, 2010 [H/t Mark Duchamp]

http://www.euractiv.com/en/climate-environment/chinese-firms-cashing-in-on-EU-carbon-trade-news-496384

[SEPP Comment: Why would anyone be surprised?]

Cap and Tax - Let the Blaming Begin

Liberal activists say good riddance to Kerry-Lieberman climate legislation

By Alexandra Bolton, The Hill, July 24, 2010 [H/t Marc Morano, Climate Depot] http://thehill.com/homenews/senate/110737-liberal-activists-say-good-riddance-to-kerry-lieberman-climate-bill

Who Cooked the Planet?

By Paul Krugman, NYT, July 25, 2010

http://www.nytimes.com/2010/07/26/opinion/26krugman.html?th&emc=th

What sank the Senate's climate bill?

By Stephen Stromberg, Washington Post, July 29, 2010

http://www.washingtonpost.com/wp-

dyn/content/article/2010/07/28/AR2010072804527.html?referrer=emailarticle

Four Ways to Kill a Climate Bill

By Lee Wasserman, NYT, July 25, 2010

http://www.nytimes.com/2010/07/26/opinion/26wasserman.html?th&emc=th

["Citizens wouldn't support an approach they couldn't understand to solve a problem our leaders refused to acknowledge. **Even the earth's flagging ability to support life as we know it** couldn't stir a public outcry." (Boldface added)]

BP Spill and Aftermath

The BP Spill: Has the Damage Been Exaggerated

By Michael Grunwald, Time, July 29, 2010 [H/t Cooler Heads Digest]

http://www.time.com/time/nation/article/0,8599,2007202,00.html

[SEPP Comment: A striking article for Time Magazine.]

US House Set To Vote On Offshore-Drilling Overhaul

By Siobhan Hughes, WSJ, July 29, 2010

http://online.wsj.com/article/BT-CO-20100729-725482.html

Energy Issues

We need to talk about wind farms

By James Delingpole, Telegraph, UK, July 28, 2010 [H/t Joe Bast]

http://blogs.telegraph.co.uk/news/jamesdelingpole/100048905/we-need-to-talk-about-wind-farms/

[SEPP Comment: Combating something imaginary, human caused global warming, with something ghastly.]

Tax dollars should go elsewhere

By Charles Battig, Charlottesville Daily Progress, July 25, 2010 http://www2.dailyprogress.com/news/2010/jul/25/tax-dollars-should-go-elsewhere-ar-349220/

Energy Subsidies – Good and Bad

Editorial, NYT, July 28, 2010

http://www.nytimes.com/2010/07/29/opinion/29thu3.html?_r=1&th&emc=th

[SEPP Comment: The New York Times admits that ethanol from corn should not be subsidized – just mandated.]

Survival of the Fattest:

What a deal: Ethanol reduces carbon for only \$754 a ton

Editorial, WSJ, July 27, 2010

 $\underline{http://online.wsj.com/article/SB10001424052748703720504575377591228733662.html\#mod=djemEditorialPage_t}$

Heaven-sent oil

Good stewardship requires honesty about energy trade-offs By Jay Dennis, Washington Times, July 26, 2010 http://www.washingtontimes.com/news/2010/jul/26/heaven-sent-oil/

EPA On the March

Denial of Petitions for Reconsideration of the Endangerment and Cause or Contribute Findings for Greenhouse Gases under Section 202(a) of the Clean Air Act EPA, July 29, 2010

http://www.epa.gov/climatechange/endangerment/petitions.html

"The scientific evidence supporting EPA's finding is robust, voluminous, and compelling. Climate change is happening now, and humans are contributing to it. Multiple lines of evidence show a global warming trend over the past 100 years. Beyond this, melting ice in the Arctic, melting glaciers around the world, increasing ocean temperatures, rising sea levels, altered precipitation patterns, and shifting patterns of ecosystems and wildlife habitats all confirm that our climate is changing." (Boldface added.) [SEPP Comment: Has "our climate" ever been constant?]

Pending EPA Emissions Regulations Move Front and Center

By Amy Harder, Congress Daily, July 23, 2010 [H/t Marlo Lewis] http://www.nationaljournal.com/congressdaily/eea 20100723 9532.php

E.P.A. Considers Risks of Gas Extraction

By Tom Zeller, NYT, July 23, 2010

http://www.nytimes.com/2010/07/24/business/energy-environment/24gas.html?th&emc=th

Review of Recent Articles by NIPCC For full list of articles see www.NIPCCreport.org

Climate Oscillations Recorded in a Coastal Setting on the French Side of the English Channel

Billeaud, I., Tessier, B. and Lesueur, P. 2009. Impacts of late Holocene rapid climate changes as recorded in a macrotidal coastal setting (Mont-Saint-Michel Bay, France). *Geology* **37**: 1031-1034. Archived July 29, 2010

http://www.nipccreport.org/articles/2010/jul/29jul2010a6.html

Effects of Ocean Warming and Acidification on Jellyfish

Winans, A.K. and Purcell, J.E. 2010. Effects of pH on asexual reproduction and statolith formation of the scyphozoan, *Aurelia labiata*. *Hydrobiologia* **645**: 39-52.

Archived July 29, 2010

http://www.nipccreport.org/articles/2010/jul/29jul2010a4.html

The Increasing Vigor of Earth's Terrestrial Plants

Tans, P. 2009. An accounting of the observed increase in oceanic and atmospheric CO_2 and an outlook for the future. *Oceanography* **22**: 26-35.

Archived, July 28, 2010

http://www.nipccreport.org/articles/2010/jul/28jul2010a1.html

[SEPP Comment: Benefits of atmospheric carbon dioxide enrichment are reinforced.]

The Medieval Warm Period and Little Ice Age in Arid Central Asia

Chen, F.-H., Chen, J.-H., Holmes, J., Boomer, I., Austin, P., Gates, J.B., Wang, N.-L., Brooks, S.J. and Zhang, J.-W. 2010. Moisture changes over the last millennium in arid central Asia: A review, synthesis and comparison with monsoon region. *Quaternary Science Reviews* **29**: 1055-1068. Archived, July 28, 2010

http://www.nipccreport.org/articles/2010/jul/28jul2010a5.html

[SEPP Comment: More evidence contradicting the IPCC claim that the Medieval Warm Period and the Little Ice Age were "regional."]

Miscellaneous Topics That May Be of Interest

Vital Marine Plants in Steep Decline

By Gautam Naik, WSJ, July 29, 2010

http://online.wsj.com/article/SB20001424052748704895004575395273977526844.html

[SEPP Comment: A new fear in the making?]

Translating Stories of Life Forms Etched in Stone

By Sean Carroll, NYT, July 26, 2010

http://www.nytimes.com/2010/07/27/science/27creatures.html?th&emc=th

Exploring Algae as Fuel

By Andrew Pollack, NYT, July 26, 2010

BELOW THE BOTTOM LINE:

Addressing carbon leakage and competitiveness through equitable policies

International Center for Trade and Sustainable Development [H/t Mark Duchamp] http://ictsd.org/climate-change/leakage-competitiveness/

["A third option is leveling the playing field with measures at the border to equalize carbon costs. Calls for this controversial option are being considered in national legislation in the United States" – not now.]

Climate change linked to possible mass Mexican migration to U.S.

Lower crop yields and agricultural production could drive as many as 6.7 million across the border by 2080, a study finds.

By Anna Gorman, Los Angeles Times, July 26, 2010 [H/t Roger Pielke Jr. http://articles.latimes.com/2010/jul/26/nation/la-na-immig-climate-20100727

[SEPP Comment: According to these researchers, Mexican labors did not leave the farm and go to America to obtain jobs that paid them good "cash money" they could send home. They left the farm because global warming made them do it.]

Linkages among climate change, crop yields and Mexico – US cross border migration Feng, Krueger, and Oppenheimer, edited by Stephen Schneider, [H/t Marc Morano, Climate Depot] Proceedings of the National Academy of Sciences, approved June 24, 2010 http://www.pnas.org/content/early/2010/07/16/1002632107

[SEPP Comment: The abstract of the study referenced in the above article as published in the Proceedings of the National Academy of Sciences]

ARTICLES

1. The Job Moratorium

Editorial, IBD, July 28, 2010

http://www.investors.com/NewsAndAnalysis/Article/541937/201007281900/The-Job-Moratorium.aspx

Energy: A new analysis of the effects of the offshore drilling moratorium shows more to worry about than beaches and tourism. Massive job loss and economic hardship lie ahead, and we're doing it on purpose.

It's been 100 days since the Deepwater Horizon disaster cast a pall over America's energy future while endangering the environment onshore and off. Whether it was due to negligence or the inherent dangers of deep-water drilling, it pales in comparison to the self-inflicted wound of increased energy regulation and taxes and the Obama administration's moratorium.

President Obama has succeeded in turning a crisis into an economic disaster. During a conference call with journalists, Jack Gerard, president of the American Petroleum Institute, detailed the harmful effects of expected new energy taxes and regulation in administration proposals.

"The administration's moratorium, if continued indefinitely — or similar legislative proposals which would make the deep water unavailable or uneconomic — would cost this country 175,000 jobs every year between now and 2035, according to our latest analysis," Gerard told journalists on the call.

Skeptics will say the API, a group representing some 400 oil and natural gas companies, has a financial stake in supporting offshore drilling. So do we all, starting with those whose jobs will be lost. Facts are stubborn things, and the facts are that the oil and natural gas industry supports 9.2 million workers and contributes 7.5% of all U.S. gross domestic product.

Already oil rig platforms are leaving, possibly never to return. Houston-based Diamond Offshore Drilling, the second-largest U.S. contractor, has said it's moving two rigs from the Gulf of Mexico to Egypt and the Republic of Congo. Scotland's Stena Drilling is shifting one to Canada.

The National Ocean Industries Association estimates that for each platform idled by the work stoppage, up to 1,400 jobs are at risk, and lost wages could reach \$10 million per month per platform and up to \$300 million per month for all 33 platforms. Just a six-month moratorium would mean roughly \$2 billion in lost wages and nearly 50,000 lost jobs.

This is about more than tar balls on a beach. According to the API, the actual and proposed responses to the oil spill by this administration and Congress will reduce annual GDP by more than \$20 billion a year, or a cumulative impact of \$500 billion by 2035. Long-term U.S. oil production would be reduced by 27%, and oil imports would rise by 19%.

A Texas A&M study published in 2007 said the oil and gas industry accounted for half of all Gulf economic activity, some \$234 billion worth. The U.S. would spend some \$10 billion to buy imported oil to replace lost Gulf production through the end of 2011.

The Gulf of Mexico accounts for 30% of our domestic oil production and 12% of natural gas, Gerard explained, adding that even shallow-water rigs will be shut down as the regulatory noose tightens around the oil and gas industry.

We can plug Deepwater Horizon's hole, but we've created a jobs hole and this administration won't stop digging.

2. The Burning Woman Festival of Global Warming: Step up to the stake, Ms. Curry By Thomas Fuller, Washington Examiner, July 30, 2010 http://www.examiner.com/x-9111-Environmental-Policy-Examiner~y2010m7d30-The-Burning-Woman-Festival-of-Global-Warming-Step-up-to-the-stake-Ms-Curry?cid=examiner-email

Judith Curry, who has been kind enough to <u>give interviews here</u> before, has now crossed the line in the minds of the climate hysterics who have polluted this discussion with invective and hatred for so long.

Her crime has been to read a book. Really. The book is <u>The Hockey Stick Illusion</u> by Andrew Montford, who blogs under the nom de guerre (it's a war now...) of <u>Bishop Hill.</u> The book, which reads like a detective thriller (it has been described as Stieg Larssen without the lesbian sex, which is just about the best one-line review in history), chronicles the exposure of Michael Mann's famous Hockey Stick chart as irretrievably flawed.

Curry will pay--she's already paying, in fact. She is now being described as a skeptic, a denialist, someone who has gone over to the Dark Side. Tim Lambert, who runs a blog that is arguably the worst of the climate hysteria genre, has a post up on his site devoted to criticism of Curry. The comments there are summed up by this: "Her comments at RC and CP do not read like those of a scientist, or even of a rational person. They read like those of the typical denialist."

Now get this straight. Curry is not pronouncing that Montford's book is the definitive source. She does not endorse the book. (I do, but I'm not a respected climate scientist...) Curry's crime--what makes here a 'denialist' and 'skeptic' and 'irrational'--is to say that people should read the book to get an understanding of what happened, how it happened and why it's important.

Judith Curry actually had to say that people should read a book. That's because some of the hysterics published phony studies saying it was not necessary to read a book to understand why they were right and their opponents were wrong. I am not making that up. Everybody from Brian Angliss to Michael Tobis is inventing reasons why they don't need to read criticism of the position they support--that Michael Mann is a saint and the Hockey Stick chart is a holy relic.

There is no better vignette explaining the intellectual dishonesty of the hysterical position, championed by <u>Joe Romm</u> and <u>Tim Lambert</u>, supported by <u>Real Climate</u>, Tamino and <u>Michael Tobis</u>, and egged on from the sidelines by <u>Eli Rabett</u> and countless commenters.

Montford's book shows how <u>Steve McIntrye</u> identified the errors in sample selection and analysis that made the Hockey Stick chart untrustworthy, and the efforts Michael Mann and his colleagues went to hide the defects of their study (which led to Climategate, which Montford covers at the end of his book).

Montford's book is good. Curry's recommendation to the community that they read it is a very good recommendation. I have seen too many defenses of the consensus and attacks on its opponents that showed an appalling ignorance of what happened to think otherwise.

Judith Curry is a respected climate scientist (who does not dispute the theory or existence of climate change due to human emissions of CO2). She holds respectable positions and has published well-respected papers in the literature.

She's getting dragged through the mud by political hacks for the crime of telling these hacks that they should read what exactly their opponents are saying.

As I said above, there is no episode in all the climate wars that shows more clearly the cheap partisan political nature and moral bankruptcy of hacks like Joe Romm, Real Climate, Tim Lambert, Tamino and Eli Rabett. The question now is will Curry get burnt at the stake professionally and personally before people say 'that's enough'?

3. 2010 Heats Up News Hype Over Global Warming

Morning shows, USA Today focus on 'record' heat; offer dire predictions about droughts, floods and snowfall.

By Kyle Gillis WSJ, July 21, 2010

http://online.wsj.com/article/SB10001424052748703724104575379313351584040.html

While some people can't stand the heat, the news media revel in it.

On July 15, USA Today reported that according the National Oceanic and Atmospheric Administration (NOAA), 2010 is the hottest year on record. ABC and CBS morning shows have also focused on the "record heat."

USA Today's Oren Dorell devoted the first third of his story to the "hotter than ever" world, much of which was doomsday weather predictions from Jay Lawrimore of NOAA's National Climatic Data Center (NCDC).

"Global temperatures ... have been rising for the last 100-plus years. Much of the increase is due to increases in greenhouse gases," Lawrimore told USA Today.

This is inaccurate, as temperatures have cycled through warming and periods of cooling over the past 100-plus years. Neither Lawrimore, nor Dorell mentioned past cooling cycles.

Lawrimore's dire predictions included the standard global warming alarmist threats of greater downpours, severe droughts, disappearing Arctic ice, and frequent heat waves. He even warned that "heavy snow, like the record snows that crippled Baltimore and Washington last winter, is likely to increase because storms are moving north."

That's right. According to global warming alarmists, even harsher winters are caused by global warming.

Dorell quoted two voices of dissent, but not until the eleventh paragraph. One of them, meteorologist Joe D'Aleo, co-founder of The Weather Channel, argued that oceans are entering a global cooling cycle and temperatures will drop, an idea consistent with other scientists.

D'Aleo also said that the only reliable data set is satellite, but USA Today didn't mention ClimateGate and the potential problems with world temperature data.

As Christopher Horner pointed out in March, there are only four independent temperature data sets. The ClimateGate e-mails prompted accusations that Climate Research Unit (CRU) set was manipulated. A NASA official has said that their data set is "so woeful" that the CRU set is better.

The NCDC set is the third out of four, and has been "thoroughly debunked" by D'Aleo and Anthony Watts, according to Horner. D'Aleo and Watts found NCDC "made a practice out of not including cooker temperature stations over time, exaggerating the warming illusion."

In the past, USA Today has hyped global warming and global warming "solutions." Even though the author eventually gave a voice to "skeptics," too often the media ignore or undercut individuals who have other opinions about climate change.

4. BP's Problem Was Bad Execution

By David W. Keefe, Letter, WSJ, July 26, 2010 http://online.wsj.com/article/SB10001424052748704684604575381950110700516.html?mod=ITP_opinion_1

With all due respect to Prof. Michio Kaku and his knowledge of the physical sciences, his "What We've Learned from the Gulf Spill" (op-ed, July 2) ignores a few facts that require comment. The offshore drilling industry evolved from a quest for new sources of energy by experienced onshore operators who recognized opportunities for developing hydrocarbon production below the ocean floor. To capitalize on this opportunity, they invented technologies and equipment that would allow them to venture into deeper and deeper water pursuing identified geologic prospects. With each new step forward, they established standard operating procedures to implement the new technologies and operate the increasingly sophisticated equipment. These SOPs are well known in the industry and have served well to accomplish the drilling of thousands of wells in offshore waters with an excellent safety record, including a number of wells drilled in much deeper water than the Macando Well's 5,000 feet.

The thousands of scientists and engineers who have been engaged in advancing the offshore exploration and drilling operations deserve great credit for contributing significantly to the provision of low-cost energy for our economy since the inception of offshore drilling in the 1940s. What is needed in the future is not tighter controls on deep water drilling, but strict adherence to the accepted procedures that assure safe, efficient offshore operations.

5. Cap-and-Trade's Market Failure

By Joseph Bast, American Thinker, July 28, 2010 http://www.americanthinker.com/2010/07/capandtrade_market_failure.html

Cap and trade died even before Congress <u>shelved legislation</u>...for now. News of the death of cap and trade last month didn't appear in the obituary section of daily newspapers. Instead, it appeared on page C1 of the July 12 edition of The Wall Street Journal in an article titled "Changes Choke Cap-and-Trade Market."

The Journal reported that the cap-and-trade market for sulfur dioxide (SO₂) emissions in the United States, created in 1995 in response to what was thought to be the connection between SO₂ emissions and acid rain, had "collapsed" in spectacular fashion.

Changes in EPA guidelines -- caused by court rulings -- rendered current SO_2 emission allowances useless. Allowances that once traded for as much as \$1,600 per ton were trading at less than \$3, and traders predicted that they would go to zero shortly.

Spokespersons for environmental advocacy groups pushing for a cap-and-trade program for carbon dioxide (CO_2) claim that the failure holds no lessons for their proposal, but they could hardly be more wrong. The SO_2 market arose from concerns remarkably similar to those behind the push for CO_2 markets, and the mistakes leading to the collapse of the existing market portend disaster for the one on the drawing board.

The market for SO₂ emission allowances was created to address widespread concern that SO₂ emissions from power plants were causing acid rain, which in turn was acidifying lakes and damaging forests. That connection, though heavily hyped by environmental groups and the media and still regarded as an article of faith in both circles, was never scientifically proven. Shortly before the cap-and-trade legislation was enacted, a massive research project called the National Acid Precipitation Assessment Program found that most of the damages attributed to acid rain were in fact due to logging and natural processes. But it was too late: Congress didn't want to be confused by the facts.

The parallel to global warming couldn't be clearer. Congress is taking up cap-and-trade legislation for CO_2 emissions even as the scientific community backs away from the sensational claims by Al Gore, James Hansen, and the like. Even one-time leaders of the alarmist side of the global warming debate, such as Phil Jones, now admit that the warming of the 20^{th} century was not unusual or evidence of a human impact on climate. Estimates of the effects of "man-made global warming" on sea levels, wildlife, and weather have all been called into question or scaled back dramatically in recent years.

The SO₂ trading program had a fatal flaw that only a few astute observers (such as economist Jim Johnston, at the time working for Amoco and now retired) commented on at the time: It did not give emission allowance the legal status of private property. This meant the government could change the rules of the game without fear of being sued by businesses and investors whose allowances became worthless. Predictably, government officials couldn't keep their hands off the program, and their meddling with the rules since 2005 destroyed the system.

Johnston further predicted that the failure to give property rights status to emission allowances would discourage businesses from buying the allowances, causing the market to be too thin to have much effect on emissions. He was right again: The volume of trading never approached that of successful "real" markets. This remains a strange blind spot for many reporters: An illustration in the July 12 Wall Street Journal article, for example, shows the collapse in SO₂ prices and refers to "the once-robust market in sulfur-dioxide allowances." But high prices don't reveal whether a market is "robust." Volume does.

If the SO₂ trading program wasn't responsible for making major reductions in emissions affordable, what was? An obvious candidate is the coming-to-market of low-sulfur coal from new mines in Western states, the legacy of environmental policies crafted and huge investments made during the Carter administration.

Could substituting low-sulfur coal from the West for high-sulfur coal from the East and Midwest all by itself account for the lower-than-expected cost of reducing emissions? Jim Johnston, in his retirement, took up the challenge of proving this point in a clever way: by demonstrating that changes in the price of SO₂ allowances prior to 2005 closely tracked the price of natural gas.

During periods of peak demand and output, many utilities face the choice of increasing generation from their coal-powered plants, thereby increasing emissions and necessitating the purchase of additional emissions allowances, or buying power from other utilities that generally use natural gas for deliver peakload capacity. Natural gas futures and options are therefore a substitute for emission allowances, and the prices of the former will dictate the price of the latter.

If most emissions allowances were being traded to reward firms with the lowest cost of reducing emissions, the correlation between allowance and natural gas prices would be weak or nonexistent. Johnston's data showed that traffic on the market was occurring for an entirely unrelated reason: to allow utilities to hedge against volatile natural gas prices.

Once again, the relevance for plans for CO_2 trading is obvious. The SO_2 market was not "highly successful" or "robust," as is so often reported. In fact, it was too thin to have had anything to do with the cost of reducing emissions. This means a CO_2 market without property rights cannot be counted on to reduce the cost of lowering CO_2 emissions, either.

The latest proposals for CO₂ trading deny property rights status to the emission allowances. Does anyone believe politicians will keep their hands of a CO₂ cap-and-trade system and allow the market to work? Do you want to buy a bridge in Phoenix?

The death of SO_2 cap-and-trade in July 2010 should be duly noted by every thoughtful observer. It should signal the defeat of any proposals for CO_2 emissions trading. If a CO_2 cap-and-trade program were ever enacted in the U.S., its collapse would be spectacular indeed compared to the one that will have foreshadowed it.

Joseph Bast (jbast@heartland.org) is president of The Heartland Institute, a nonprofit research and education organization based in Chicago.

6. Big Footed by the EPA in Brooklyn

Thanks to the federal government, developers can't revitalize one of the country's most toxic urban waterways.

By Julia Vitullo-Martin, WSJ, July 24, 2010

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[SEPP Comment: Find someone to punish first; then worry about the clean-up.]

For a case study in how the Environmental Protection Agency inhibits economic and environmental revitalization, head straight to Brooklyn's Gowanus Canal.

Since 2004, New York developer Toll Brothers City Living has worked on a plan to revitalize the canal, which is one of the most toxic urban waterways in the country. Mayor Michael Bloomberg was completely on board, believing that Toll Brothers had a sensible plan for cleaning the 1.8 mile-long channel and transforming the mostly industrial neighborhood with 450 housing units and 2,000 square feet of retail.

But the EPA upended all of this six months ago when it declared the canal a Superfund site. "We're out. Completely out," David Von Spreckelsen, a senior vice president at Toll Brothers, tells me.

That's because under the EPA the cleanup is likely to take 12 years, perhaps more. The Superfund designation allows the EPA to go after the polluters ("responsible polluting partners"), which include dozens of private companies as well as the U.S. Navy and the City of New York. The city owned or operated several facilities on the canal during much of the 20th century, including an asphalt plant, a coal plant and an incinerator. According to EPA spokesperson Elizabeth Totman, the city could be liable for paying part of the EPA's estimated \$300 million to \$500 million bill.

Needless to say, the Bloomberg administration was not happy. City officials said the listing would drive out hundreds of millions of dollars in investment that had already started in the area.

Toll Brothers is the most prominent case in point. "Superfund creates a stigma we couldn't get around," says Mr. Von Spreckelsen. "We couldn't get financing or insurance at a reasonable number. We'd be trying to get loans and to market apartments while there would be men walking around in white suits. It's just not doable."

Some neighborhood activists are happy with the Superfund designation. Linda Mariano, co-founder of Friends and Residents of Greater Gowanus, tells me she opposes "premature development." She argues that "the neighborhood belongs to the people—not to the private developers and not for the kind of Atlantic Yards overdevelopment this mayor has been advocating for. The EPA will do a significant cleanup so that we can reuse the brownfields as open space, recreation, adaptive reuse for light industry and artisans."

But it's not as if Toll Brothers wasn't planning to clean the site. It had been going forward under an alternative route—the New York State Department of Environmental Conservation's voluntary Brownfield Cleanup Program, which provides tax breaks for cleaning the site and preparing it for building. Like every industrial site that gets rezoned for residential use by New York City, this one got an "E" designation, which requires that it pass inspection before a building permit is issued.

"The city had \$150 million ready to go to clean up the canal, versus the Superfund, with just enough money to do another study for two years," Bill Appel, executive director of the Gowanus Community Development Organization, tells me. "Superfund is a misnomer. It's not super, and it doesn't have any funds." Others point out that the EPA's solution is only going to preserve the pollution for longer.

There's no question that the pollution is serious. Carved out of tidal wetlands and freshwater streams in the mid-19th century when environmental standards were almost nonexistent, the Gowanus Canal was poorly designed, even by the standards of the day. For one thing, it was built without locks and open only on one end, relying on the tides to flush wastes. Tidal flushing was never sufficient, and as industry grew on its banks toxic pollutants poured in—not to mention millions of gallons in raw sewage.

EPA Superfund Director Walter Mugdan, who oversees New Jersey, New York, Puerto Rico and the Virgin Islands, says tests have shown that the sediment in the canal is seriously contaminated with a variety of pollutants, including polycyclic aromatic hydrocarbons (PAHs) and heavy metals. But the most difficult and expensive problem may be the coal tar, otherwise known as black mayonnaise.

From the 1860s through much of the 1950s, three manufactured gas plants dumped their coal tar into the ground and probably into the canal. National Grid, one of the world's largest utilities, "owns" the liability for the coal tar, not because it ever polluted itself but because it acquired predecessor companies, such as Brooklyn Union Gas and Keyspan, that did. Mr. Mugdan is confident that National Grid will become the major payer.

But on what timetable? "If EPA had come in 35 or 40 years ago they would have been more than welcome," says lifetime Gowanus resident Buddy Scotto. "But they are announcing their designation just as the private sector gets ready to clean and invest. It will take the EPA several years just to evaluate all the work that we've done—much less start anything. Plus they have to get the money from the polluters—and most have disappeared."

It's a bad situation, but one that the Bloomberg administration can turn to the city's advantage. The EPA has promised an expedited, fully funded cleanup. "We sleep, we eat, we dream the Gowanus Canal," EPA project manager Christos Tsiamis said in a public hearing earlier this year. The Bloomberg administration should hold the EPA to its promises.

Ms. Vitullo-Martin is director of the Center for Urban Innovation at the Regional Plan Association.

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