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Letters

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Europe's Energy Crisis Is A Warning To America

by Steve Milloy, Senior Policy Fellow
As Appearing in The Daily Caller

Europe serves as an object lesson of the economic, social and national security disaster that is the climate hysteria-driven preference and overreliance on wind and solar power. Curiously, many seem eager to emulate that disaster here in the United States.

European countries have been in a wild dash to reduce emissions of greenhouse gases ever since the 1997 adoption of the international climate treaty known as the Kyoto Protocol. The 2015 Paris Climate Accord only accelerated these efforts, which largely focused on closing coal plants and replacing them with natural gas power plants, wind turbines and solar panels.

Since wind and solar are only intermittent sources of energy, European countries have become highly dependent on natural gas for electricity generation and heating. Even as European demand for natural gas soared, ill-advised fracking bans left Europe little choice but to turn to Russia to fill its oil and gas needs.

Following the 2011 Fukushima nuclear plant accident, Germany shuttered its nuclear power plant fleet. The nation turned to coal as a temporary substitute fuel. But because Germany had already closed many of its mines in anticipation of a future without coal, it had to turn to Russia to make up for its coal shortfall.

As a direct result of its "green" policies run amok, Europe became deeply addicted to Russia's resources. Meanwhile, European money flowed into Russia, bankrolling Putin's war machine in the bargain.

Europe's current energy crisis didn't begin with the Russian invasion of Ukraine. Some days the wind just doesn't blow and in 2021, Europe had a lot of those days. A drastic reduction in wind meant a lot less electricity generated by wind turbines.

With less wind and coal available, natural gas plants made up the deficit. The increased demand, particularly at the onset of fall and winter, forced already-high global natural gas prices to rise even higher. Bad turned to worse in February 2022 when Russia invaded Ukraine. European sanctions on Russian coal, oil and gas imports sent the price of natural gas and coal (as a substitute for natural gas) skyrocketing.

Even before the onset of winter, Europe has been forced to ration both industrial and residential use of electricity and natural gas. This rationing will become more

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In This Issue

Guess who benefits from U.S. energy policies

by Greg Walcher, Senior Policy Fellow
As appearing in *The Daily Sentinel*

Economist Stephen Moore has published a chart listing quarterly profits of America's four largest technology firms. The numbers are unfathomable for mere mortals like us. Tesla earned $2.3 billion — that's not total income, just profits (total income was over $30 billion). Profits were $6.7 billion for Meta (Facebook and Instagram), $19.4 billion for Apple, and $16.7 billion for Microsoft. That is just profits earned in the second quarter of this year, so multiply it by four and you see how rich some of these folks are getting.

As astonishing as those numbers are, though, all four of them combined made less money than Saudi Arabia's main oil company, Saudi Aramco. Its profits exceeded $48 billion in that same quarter. As Moore wrote, "Saudi Arabia is loving life" these days. The U.S. government's anti-fossil fuel policies have caused two significant problems for Americans. First, they have dramatically driven up the price of gasoline, home heating and other energy costs. Second, they have made the economy more dependent once again on foreign energy sources, especially imported oil.

That has implications far beyond the prices we pay at the pump. It is spectacularly enriching Saudi Arabia, China, Russia, Iran and other producing countries around the world, many of which are not allies. No rational person watching the belligerent behavior of those countries could conclude that sending them hundreds of billions of American dollars is a good idea.

This is a recent development, historically speaking. Oil was only discovered in Saudi Arabia in 1938, by Chevron, and it transformed the entire region after World War II. Before that, Saudis were mostly nomadic, tribal and comparatively poor. The Saudi economy was bolstered mostly by tourism revenue from Muslim pilgrimages to Mecca. Today, oil generates over $150 billion a year for Saudi Arabia, and the Saudi royal family is the world's wealthiest, with a net worth estimated at $1.4 trillion. The country is the world's largest arms importer, spent $68 billion financing civil war in Yemen, and spends fortunes destabilizing Qatar, Egypt, Libya and other parts of the Mid-East, according to the Stockholm International Peace Research Institute. A vast share of that money came from the U.S. over the past seven decades.

Whether anyone thinks this is smart policy on America's part, it is reality. U.S. imports of foreign oil have gone from about 150 million barrels a month when President Biden took office to over 204 million last month, according to the Energy Information Administration. The numbers include 300,000 barrels a day from Saudi Arabia, which just decided to cut production to further drive up the price. They laughed when the American President publicly asked them not to do so.

It is beyond hypocritical for Biden to ask other countries not to reduce fossil fuel production, while waging war on production in his own country. But that is the world we seem to be living in today.

It doesn't have to be this way. For decades, federal energy policy ranged from Nixon urging everyone to turn down their thermostats, and Carter suggesting sweaters, to Obama's attempt to bludgeon the energy industry out of business. The Trump approach instead sought "energy dominance," and concentrated on lifting regulatory impediments.

The result was astonishing, considering Trump was only president one term. By the end of his second year, Investor's Business Daily reported that "Last week, the U.S. exported more oil than we imported, for the first time in 70-plus years." It turns out all that was really needed was for government to get out of the way and let the marketplace work.

Government had long warned we were running out of oil, but instead, vast oil and gas reserves were discovered, and advanced technologies like directional drilling and hydraulic fracturing enabled competitive production of those resources. Domestic production skyrocketed, and imports steadily declined — not because of government policies, but despite them. By 2020, the U.S. became the world's largest producer and exporter, even beginning to send oil and gas to Europe to replace Russian oil.

Biden reversed all that and the U.S. is already back to spending $700 billion annually to import oil. He drained the strategic petroleum reserve by 145 million barrels over a 250-day period, whereas over a similar span during the previous administration the U.S. produced 657 million barrels.

If Biden wanted to deliver the greatest "October Surprise" in the history of election years, he could simply announce a return to 2020 energy policies. Saudi Arabia would hate it, and he could laugh at them. ❐

CA Threatens to Ban Diesel Trucks, Further Stressing Supply Chain

by Katie Grimes, Senior Media Fellow
As Appearing in the California Globe

California policies and politics are at odds with the rest of the country

The disconnect between California policies and politics are at such odds with the rest of the country, it's a wonder the other 49 states haven't excommunicated the Golden State from the union.

Todays' headlines are the perfect example: "Rail strike potential grows, threatening to worsen supply chain backlogs, inflation"; "California Looks to Ban Diesel Trucks at Ports by 2035."

California's Long Beach and Los Angeles ports process approximately 40 percent of container shipments coming through the U.S.

Does anyone in charge California care?

As the country's supply chain backlogs still exist and continues to plague many industries, California's nonsensical diesel regulatory rules threaten to worsen the supply chain – on top of a potential rail strike which could grind supplies throughout the country to a halt.

It's as if the international bad guy Dr. Evil is trying to destroy America's economy.

CA Gov. Gavin Newsom is obviously aware of the problem. In October, he announced he was committing $1.2 billion to support the state's ports and freight corridors – although he claimed the backlog was "pandemic-induced."

"Seventy percent of the program funding will go to projects that support goods movement through the ports of Los Angeles and Long Beach," Newsom's announcement said.

Good. The Long Beach port was already a problem.

But Newsom is ignoring his own California Air Resources Board's ongoing economy-restricting policies by doubling down in blatant policies opposed to business interests, particularly those of large-scale corporations. "The goal is to push more than 30,000 heavily-polluting trucks to clean energy by 2035," the Wall Street Journal reported.

California's diesel regulations were created during the last administration under then-Governor Jerry Brown. Immediately upon enactment by the CARB, and installation by truck owners, the mandatory, faulty diesel particulate filters were exploding all across the state. Ironically, the filters even fail(ed) at cleaning the air.

The Alliance for California Business, a voluntary group whose purpose is to protect and promote business interests throughout California, told me in 2016 that Diesel Particulate Filters started more than 31 fires in just two years, including several in areas of the state parched by the drought.

The Diesel Particulate Filters are the result of environmental regulations created by the California Air Resources Board, and were based on a deeply flawed study led by a CARB researcher accused of faking his Ph.D. credential. The CARB was not only aware of employee Hien Tran and his phony Ph.D. credentials and flawed research, yet the agency instead rushed head-on to meet its self-imposed schedule in creating the diesel regulations on truckers using the faulty science.

California's owners/operators of trucks, small business owners, and farmers and ranchers, whose livelihood is tied to having affordable, safe, and reliable trucks for transporting goods, were targeted by the California Air Resources Board, and required to install Diesel Particulate Filters in all commercial trucks.

And when CARB made this regulation, it kicked thousands of independent truckers out of this business. Many large and small truckers could not afford to retrofit their trucks and fleets and were forced out of business.

The truckers still in business had to spend $20,000 to $50,000 per truck retrofit with the CARB's expensive, mandated Diesel Particulate Filter, or they had to buy newer model trucks to meet the new regulations. New trucks are hugely expensive.

Many of those truckers and trucking companies who could afford the retrofit or new trucks reported exploding trucks thanks to the CARB's 'Truck and Bus Regulations' to control emissions from diesel engines.

The Diesel Particulate Filter devices were hailed by CARB, in countless public statements and Executive Orders, as an inexpensive, easy to install, device that could be implemented on all diesel powered engines throughout the State of California within just a few years. The CARB claimed the use of the filters would thereby improve air quality in the Los Angeles and San Joaquin basins.

Nothing could have been further from the truth.

It took some time, but CARB finally publicly acknowledged (barely) that the Diesel Particulate Filter is expensive to install and maintain, mechanically unreliable, and the warranties were inadequate both as to time, mileage and scope of coverage.

But even worse, the Diesel Particulate Filter clogged, causing engine fires. These engine fires erupt, and have caused numerous very serious and even deadly accidents, as well as devastating property damage.

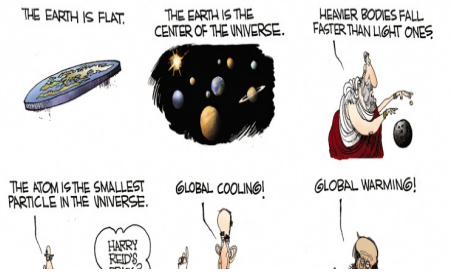
The CARB's solution was to double down on stupid and imposed a ban on diesel trucks, forcing more and more California truckers out of business.

As the state attempts to wean (force) drivers off gas and diesel-powered vehicles, pushing commercial fleets of vans, long-haul trucks and buses to transition to zero-emission vehicles, "the trucks tend to cost two or three times as much as diesel trucks, which retail for about $150,000.

Most electric trucks today have a range of between 100 and 200 miles between charges, making longer trucking routes impractical," WSJ reported. ❐

What exactly is settled science?

by Greg Walcher, Senior Policy Fellow
As appearing in *The Daily Sentinel*



Congresswoman Alexandria Ocasio-Cortez recently made the statement that, "There is scientific consensus that the lives of children are going to be very difficult … leading young people to have a legitimate question: is it still OK to have children?"

I'm completely comfortable with her deciding not to have children, but that aside, what scientific consensus is she talking about? What type of scientist can see into the future and know what kind of lives children born today might have? A microbiologist or a biochemist? A physicist, oncologist or botanist? Perhaps a meteorologist, hydrologist or astronomer?

The concept of science has become one of the most misunderstood in public discourse. It is hackneyed to the point of triteness to say policy leaders should "follow the science." I've said that, too, but I flatter myself to have had at least an elementary understanding of what science is. Today, leaders throw the word into speeches whenever they need credibility the argument itself doesn't have.

You can spot it a mile away when they include the word "consensus." The very concept of consensus, meaning unanimous agreement, is an affront to science. As John Kay wrote in 2007, "Science is the pursuit of truth, not consensus." He explained, "The route to knowledge is transparency in disagreement and openness in debate."

No wonder people have grown weary of being told the science is "settled," on various issues, only to observe later that the conclusions were exaggerated, or flat wrong. Think of the damage done over the centuries in the name of settled science.

In 1633, Galileo was arrested and interrogated by the Catholic Church for refusing to accept the "settled" church view that the Earth was the center of the universe. His own astronomical observations showed that the sun-centered theory of Copernicus was right. Nevertheless, the church banned Galileo's books, prohibited him teaching his "heresy," and he spent the rest of his life under house arrest. The church finally admitted it was wrong, and cleared his name — in the 1990s.

When 17th-century physician William Harvey discovered that blood circulated through the heart and not the liver, as assumed the previous "scientific consensus," he was ostracized by the entire scientific world and spent his remaining life as a hermit.

The great writer Michael Crichton, in a now-famous 2003 lecture at the California Institute of Technology, used the example of continental drift. He explained that every school child looking at a map could see that South America and Africa fit together almost perfectly. Yet when Alfred Wegener first proposed the idea of continental drift in 1912, the "scientific consensus" sneered at the idea — for 50 years, until 1961 when discoveries made clear that plates do shift and continents are in fact moving apart. In other words, "settled science" made fun of the idea for five decades until later scientists finally confirmed what any school child could see.

Crichton was more than just one of the most popular writers in history, though he was that. His books have sold more than 200 million copies and more than a dozen became blockbuster movies, including the Andromeda Strain, the Terminal Man, Twister, and Jurassic Park, as well as the hit TV series, ER. But he wasn't just a writer. Crichton was a Harvard-trained doctor, computer game designer, intellectual property legal expert, and as Stephen Spielberg said at Crichton's funeral, a pioneer in "blending science with big theatrical concepts, which is what gave credibility to dinosaurs again walking the Earth."

In the 2003 lecture, Crichton warned sternly against the idea of scientific consensus. "I regard consensus science as an extremely pernicious development that ought to be stopped cold in its tracks." He went on, "Historically, the claim of consensus has been the first refuge of scoundrels; it is a way to avoid debate by claiming that the matter is already settled. Whenever you hear the consensus of scientists agrees on something or other, reach for your wallet, because you're being had. Let's be clear: the work of science has nothing whatever to do with consensus. Consensus is the business of politics."

People from different perspectives disagree on major policy issues, as intended in a democratic republic. Both sides often fall back on "science" to claim there is no need for discussion of their ideas; people should just do as they're told. The beauty of a free society is that people are welcome to follow the science, or ignore it, debate it, disagree with it, and even question whether it is science at all. ❐

David Malpass's Climate-Change Lesson for GOP Candidates

by Steve Milloy, Senior Policy Fellow
As appearing in the *Wall Street Journal*

The World Bank president demonstrates how not to deflect gotcha questions.

World Bank President David Malpass committed a horrible environmental crime last Tuesday. When asked about his views on climate change, he said, "I'm not a scientist."

The saga began earlier when Al Gore called Mr. Malpass a "climate denier" and urged President Biden to fire him. It isn't clear why Mr. Gore was so incensed by Mr. Malpass. Whatever his personal beliefs, the World Bank under Mr. Malpass's leadership has given a record $31.7 billion in fiscal 2022 to "climate-related" initiatives.

When a reporter prodded Mr. Malpass about the comment hours later, he said it was "very odd" and declined to discuss his climate views with his words about not being a scientist.

This seeming nonevent developed into front-page news at the New York Times. Calls for Mr. Malpass's resignation began, including from the White House, despite Mr. Malpass subsequently clarifying that he does believe greenhouse gases cause warming. One wonders where this outrage was when Supreme Court nominee Ketanji Brown Jackson declined to define the word "woman" in her confirmation hearings, pleading, "I'm not a biologist."

Mr. Malpass has refused to resign, and why should he? He spoke the truth. He isn't a scientist. He's an economist, hence his appointment to the World Bank by President Trump. What he said about greenhouse gases is also true, and probably the one thing all sides can agree on in the climate debate. It's also the end of what science clearly says about global warming. Anything else you hear is guesswork, if not fear-mongering.

But the hysterical reaction to Mr. Malpass's statement is also an important lesson for Republican candidates.

They're likely to get this sort of "gotcha" question on climate and "I am not a scientist" and similar disavowals of expertise, knowledge and opinion aren't good answers, true as they may be. They instantly make one sound defensive and don't defuse the situation.

Such questions are put to Republicans not to elicit their considered views based on qualifications and expertise. They're used to manufacture an attack on those who don't fall in line with the left's climate narrative. Nothing short of endorsing radical climate policy will avoid that.

The better response is to befuddle the attacker or change the subject.

One could take the time to learn something about the topic and the shoddy scientific foundation of progressive doomsaying. Sen. Jim Inhofe (R., Okla.) has used such knowledge to keep the media on its heels.

You could also prepare tension-breaking quips. Imagine what Ronald Reagan would've done with the idea of the ever-bumbling Mr. Biden trying to control the weather by sending vast sums of taxpayer money to communist China. For the bolder politician, there's also always the ballistic, Trumpian response. The New York Times likes embarrassing meek politicians with the implication that they think climate change is a hoax. Rest assured it hates having to write that someone said it with certainty and bombast. ❐

Europe's Energy Warning (Cont.)

severe as the weather cools and becomes cold.

High gas prices have already forced manufacturing plants to close, including vital fertilizer plants. Nuclear plants that are closed for maintenance can no longer be easily replaced by cheap power from coal and gas power plants.

Drought in Germany has lowered Rhine River levels such that coal cannot be delivered by barge. Instead, trains must be reprioritized from passengers to coal.

Let us hope that Europe experiences a mild winter and escapes the ultimate price for its green folly. Europe typically suffers an estimated 200,000 excess winter deaths. European officials have made assurances that they working on "emergency measures," which must hardly sound reassuring to lower-income seniors. European style anti-fossil fuel policies have been embraced in America by President Joe Biden and the Democrat-run Congress. The $369 billion in climate spending within their Inflation Reduction Act is designed to replace fossil fuel power with wind and solar.

European-style energy policies in the United States have already proven disastrous and without benefit. Hundreds of people in Texas died in February 2021 as the result of blackouts triggered by frozen wind turbines. Weakened electricity grids have put California, Texas and Midwest states under increasing threat of summer and winter blackouts and rationing.

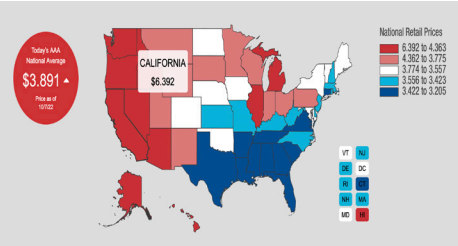
U.S. electricity prices have almost doubled. Oil and natural gas prices have significantly increased across America because of the Biden administration's inflationary policies.

Their anti-energy policies are having no impact on the weather or climate. They are all pain and no gain.

We ignore at our own peril the ongoing and unfolding disasters that anti-fossil fuel policies have produced in Europe and everywhere they are implemented. Winter's approach reminds us that we wouldn't want to bet our life on them. ❐

CA 'Windfall Gas Tax Profits:' Gas Now $2.55 Above Nation's Average

by Katie Grimes, Senior Media Fellow
As Appearing in the California Globe



Californians are paying the highest gas prices in the entire nation thanks to the state's "windfall gas tax profits." The average price for a gallon of gas in the U.S. is $3.891 according to AAA. California's average price for a gallon of gas is $6.392. This means Californians are paying a $2.55 premium on gas in many locations.

Gas in Mono county California is $7.82 per gallon. The lowest gas is in Mississippi at $3.205 per gallon. Texas comes in at $3.232, Florida is $3.289, and Georgia is $3.207.

Notably, "It has now officially been 211 days since the Democrats promised action on soaring gas prices," Assembly Republican Leader James Gallagher (R-Yuba City) said Thursday.

"Governor Newsom and Capitol Democrats are as dumb as they want to be.

People have friends in other states who are paying around $3.50 a gallon. It's laughable and Californians aren't buying it," Gallagher said. "Another dismal record the state set earlier this week shows that California has the worst maintained roads in the nation, even though most of the gas tax is intended for road maintenance."

A new report found "44% of California's roads analyzed were in poor condition. That's the highest of any state, MoneyGeek said. Only 22% of the state's roads were in good condition."

Assemblyman Kevin Kiley (R-Granite Bay) also weighed in, and he addresses Gov. Newsom's threat to call a special legislative session for the sole purpose of raising taxes.

"Gavin Newsom is considering a Special Session of the Legislature for a single purpose: raising taxes. That is the last thing California needs," Kiley said. "Newsom's proposal, a new tax on suppliers, will inevitably make gas prices even higher. For those keeping score, prices in California are now $2.56 above the national average and our state budget has grown $100 billion since Newsom took office."

"If Newsom does re-convene the Legislature, he'll be sending the Supermajority into a trap. I'll use the opportunity to force a new vote on suspending the gas tax, and we'll see if they're willing to oppose it again as ballots land in mailboxes."

As for Gov. Newsom's special session of the Legislature in response to rising gas prices, "We're hoping to do more with this windfall profits tax to go after big oil," he said Thursday at the climate change compact signing in San Francisco.

Newsom's solution is to accuse oil companies of hoarding "windfall profits," and to impose additional taxes. This isn't a climate plan, but a tax plan.

Assemblyman Kevin Kiley had a solution to California's highest-in-the-nation gas prices, but in March, Democrats on the Assembly Transportation Committee hijacked Kiley's bill by passing amendments to gut the bill so they could not be accused of voting for the gas tax increase. Kiley proposed to suspend California's .51 cent gas tax (CA gas tax is now .54 cents). At the hearing, Kiley noted that Maryland and Georgia had just reduced their gas taxes, and the people of those states saw immediate results. He said rebates are a good idea, especially with a substantial state surplus, and should be much larger, returning to overtaxed tax payers more of their own money.

Democrats diddled for 100 days to provide relief at the pump for the state's drivers from the record high gas prices," the Globe reported in June. California Democrats abandoned the opportunity for a gas tax holiday, and then announced they were forming a new committee to investigate gas price gouging to make it appear they were doing something.

Here are some of the policies implemented in California that drive up the cost of gasoline:

- 51.1 cents – State gas tax
- 25 cents – Cap and Trade
- 22 cents – Low Carbon Fuel Standard
- 2 cents – Underground Storage Fee
- 10-15 cents – California's switch to summer-blend costs more to produce than other types of gasoline.
- 14.4 cents – State sales tax ❐

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