# Washington Report A publication by Congressman Devin Nunes

# In search of Energy F Freedom

More than 2/3 of our oil is purchased overseas, leaving America at the mercy of oil cartels and brutal dictators. Is it too late for Congress to act? Inside this issue: in search of energy freedom.

> SORRY NO



## Welcome





**Rep. Devin Nunes** www.nunes.house.gov

Dear Subscriber:

Thank you for your interest in my work in Congress. As your Representative in the United States House of Representatives, I believe an important part of my job is to provide taxpayers and voters the information they need to make informed decisions.

I hope you find the Washington Report Magazine informative, and I invite you to send your comments or suggestions to me for the improvement of future editions. I also welcome the opportunity to serve you. If you are having difficulties with a federal agency or have questions about my work in Congress, please call or write. All of the information you need to reach me can be found on this page.

Finally, I hope you will take a moment to browse my website. Information will be posted online regularly, including electronic editions of my magazine and programming from my video series, the Washington Report.

Thanks again for your interest.

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# Cover Story





**P.3** "Inexpensive and reliable access to energy is a driving indicator of technological development and growth around the world. In the United States, this has given us a significant advantage. However, this advantage is not assured. To-day, Americans are experiencing double digit increases in utility bills and gas prices are at record highs."

Congressman Nunes has a plan that would immediately lower energy prices, while assuring longterm energy security for the United States. The Nunes legislation would make historic investments in alternative energy and eliminate our dependence on foreign oil- all at no cost to the taxpayer.

Sound too good to be true? Why hasn't Congress acted? Read In Search of Energy Freedom starting on page 3.



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In 2001, schools were forced to close as a result of rolling blackouts in California. Has anything changed?



#### INTRODUCTION

In search of

For decades, our government stood on the sidelines as the national energy outlook of the United States deteriorated. Today, despite the warnings of energy producers and independent analysts, little has changed in Washington. As a result, consumers across America are suffering record energy prices with no relief in sight.

The debate concerning our nation's energy future has two principle perspectives. On one side, free market advocates, including myself, have long argued that government policies are damaging America's energy security. We believe that excessive laws and regulations, as well as high tax rates, have driven U.S. energy development overseas and artificially raised prices. As evidence, we point to our nation's growing dependence on foreign oil, as well as the fact that 76% of our natural resources are off-limits to exploration and drilling.

On the other side, environmentalists have long believed that inexpensive fuel has encouraged inefficient consumption and overdevelopment. They further argue that fossil fuels have damaged the environment and, more recently, that fossil fuels are responsible for global warming. These activists are among the most powerful special interests operating in Washington today.

In response to these general views concerning national energy policy, many Members of Congress have adopted inflexible positions. For example, some government officials will only support solar power, wind or other renewable energy sources. They leave no room for policies that would actually achieve what the American people desire – that is, reliable and affordable energy for today and tomorrow. For several years, I have attempted to gain bipartisan support for reforms that would provide our nation long-term energy security. What I have witnessed during this time is a highly troubling trend, whereby extreme views concerning fossil fuels have gained mainstream approval without rational debate or thoughtful analysis. Recognizing the need for complete facts as the American people confront record energy prices, I created this document.

#### WHERE DOES OUR ENERGY COME FROM?

**M**ost of the public awareness and debate concerning energy policy has been concentrated on skyrocketing gas prices. This is largely the result of the immediate and direct impact associated with the cost of oil on American consumers.

Our economy is driven by petroleum. Whether we like the situation or not, fossil fuel dependent cars, trucks, trains, planes, and enormous container ships transport food and goods to consumers every day. Overall, Americans consumed 27,865 trillion Btu of transportation fuel in 2006. Without this energy, our nation would grind to a halt (see figure 1).

Since alternatives to oil are not yet available to the vast majority of Americans, high gas prices tend to dominate the over-all energy debate. However, our challenges are far more complex than the availability of unleaded or diesel fuel for our vehicles. To understand the true extent of the current crisis, we need to fully appreciate how much overall energy we consume and from where it comes.

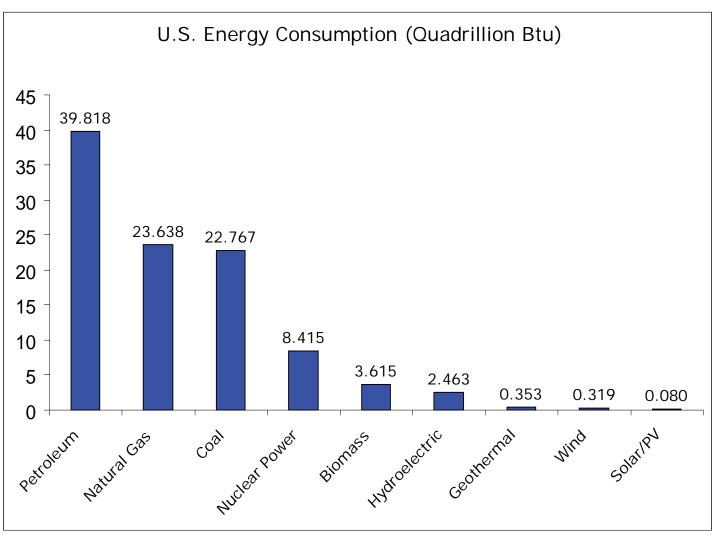
#### WHAT WE CONSUME

We measure energy production and consumption in British thermal units (Btu). For example, a typical plasma television consumes 358 watts of power during an hour of use. This represents 1,222 British thermal units because 1 watt of power is equivalent to approximately 3.4 Btu.

With this in mind, the average American consumed 334 million Btu of energy in 2006. This number represents the consumption of energy by one American from all sources, including electricity, natural gas, fossil fuels, and others. On a national level, the people of the United States consumed approximately 101.6 quadrillion Btu.

How do we generate this energy? The vast majority, approximately 86%, of the energy we consume is produced using fossil fuels including oil, natural gas, and coal. Very little of our energy, less than 1%, comes from renewable sources such as solar power or wind. Nuclear power generates approximately 8%.



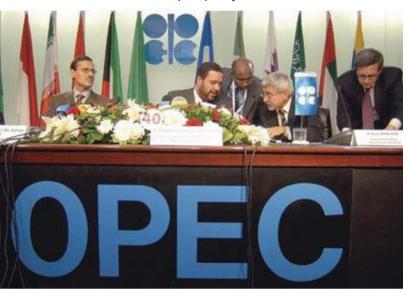


Source: Energy Information Administration, Annual Energy Review 2007



Middle Eastern oil accounts for more than 20 percent of our nation's fuel imports.

It doesn't take long to discover the stark facts. A snapshot of our nation's energy profile is located on page 15 and clearly shows that 86% of our energy comes from fossil fuels. When we place this fact in context with our nation's laws driving energy development overseas, we begin to fully appreciate why global competition for resources threatens America's prosperity.



Iranian announcement of support for OPEC crude oil production cuts in 2006.

#### **GOVERNMENTS AND STATE-RUN ENTERPRISES DOMINATE**

The bulk of oil consumed in the United States is refined and marketed by either American or European companies. Indeed, ExxonMobil, Shell, BP and other independent oil companies represent what most consumers believe to be "big oil." However, it is important to note that the fuel itself is imported from a number of foreign sources, most of which are under the direct control of government-run enterprises. Only 6% of global crude oil supplies are controlled by independent companies.

The remaining oil, representing 94% of global resources, is either directly or indirectly controlled by a foreign government. These governments conspire to maintain high prices and are capable of manipulating global supplies. In addition, alliances between oil producers have created a market dominated by one organization, OPEC.

The Organization of Petroleum Exporting Countries (OPEC) is essentially a cartel formed by oil producing nations. As a whole, OPEC is the single greatest factor associated with the cost of crude oil. In the United States, crude oil prices represent approximately 72% of gas prices paid by consumers.

#### FOREIGN GOVERNMENTS CONTROL SUPPLIES, WHILE WE RE-FUSE TO DEVELOP OUR OWN

Despite record high demand, OPEC is not pumping oil at maximum capacity. Instead, cartel members are conspiring to ensure high prices. As a result, the current price per barrel of oil, which is set on the world market, has climbed above \$125 and recent predictions have suggested that these prices could climb to \$200 in the near future. In 1999, crude was sold at \$20 a barrel (resulting in \$1.27 per gallon of gas). OPEC's decisions on production quotas are the single most important factor in the supply and price of oil worldwide.

### OUR COMPETITORS ARE SEEKING ENERGY FOR TODAY AND TOMORROW

As a result of Congressional inaction, India and China have assumed the global energy leadership role once held by the United States. Throughout the spectrum of both short and long-term energy development, the United States is quickly falling behind.

Extensive fossil fuel exploration and development, including natural gas, provides our competitors short-term supply certainty and less expensive energy. Nuclear power, coal-to-liquid technology, and large-scale hydroelectric facilities offer longer-term energy solutions to our competitors.

Meanwhile, the United States has adopted policies that discourage energy development in resource rich regions, including the Rocky Mountains and Alaska. In total, 76% of our domestic energy resources are off limits.

#### **CHINA**

In sharp contrast to the United States, which has virtually halted oil and gas exploration, China is aggressively seeking to secure energy resources. This includes significant domestic exploration and development, as well as the construction of 32 nuclear power plants by 2020.

China is also making direct investments in projects around the world. China has acquired interests in Venezuela, Sudan, West Africa, Iran, Saudi Arabia, Russia, Kazakhstan and Canada. In the Gulf of Mexico, just 45 miles from the U.S. coastline, China is working with Cuba to develop offshore oil and gas resources.

Ironically, China is capable of developing fossil fuels in areas that our government has prevented American oil



Overall global energy demand is predicted to climb more than 50% by 2030.

companies from drilling. As a result, large quantities of oil and gas could be removed from the Gulf of Mexico and shipped to China. Meanwhile, Americans face record energy prices with no relief in sight.

#### INDIA

India is home to the more than a billion people, a population second only to China. The country is experiencing near double digit economic growth and faces a significant challenge in developing reliable and affordable energy resources for its growing middle class.

In 2006, India was the 6th largest oil consumer in the world. Government officials in New Delhi estimate that national energy consumption will quadruple over the next 25 years.

In response, India has developed an aggressive nuclear power program. Although the country is investing in alternative and renewable energy, the Indian government is also committed to the development of vast domestic fossil fuel resources. They believe this is necessary to maintain affordable power deliveries for a growing country and to assure fuel for an increasingly mobile society.

#### WE ARE NO LONGER THE ONLY MARKET IN TOWN

As energy importers, American consumers are facing increasing global competition. Prior to the rise of China, India, and other economic superpowers, the United States dominated the oil market. This was largely because Americans consumed the bulk of global energy resources and competition was limited to other highly developed nations. Today, we are faced with competition from rapidly growing economies that dwarf even the most developed nations.

#### QUOTES FROM FOREIGN OIL CARTEL LEADERS



"You should know that the criminal and terrorist Zionist regime (Israel) which has 60 years of plundering, aggression and crimes in its file has reached the end of its work and will soon disappear off the geographical scene," Iranian President Mahmoud Ahmadinejad. Iran is the second largest oil producer in OPEC.

"I am on the offensive because attack is the best form of defense," Venezuelan President Hugo Chavez. Venezuela is OPEC's largest oil producer in the Western hemisphere.



Based on current trends and despite advances in technology and conservation, world energy needs will increase by over 50% by 2030. India and China account for 45% of this increase.

#### THE THREAT

Most recognize that the United States is dependent on energy imports. What many Americans have not fully confronted is the reality that significant portions of our imports come from dangerous and unstable regions around the world. This leaves us vulnerable to oil supply disruptions, as well as the potential of economic sabotage by our enemies.

By way of example, high energy prices today, including record crude oil prices, are nothing compared to what we would face if an oil embargo occurred. In the 1970's, an OPEC embargo caused gas rationing in the United States. During the crisis, the Energy Department prepared for the worst by printing gas vouchers and contingency plans that would limit fuel use.

Today our key suppliers include Venezuela's state run oil company, which is beholden to the brutal Dictator Hugo Chavez. Chavez has vowed to "bury the United States in the 21st century" and is in a position to do serious harm to global energy markets if he chooses to use oil as a weapon. Venezuela is politically aligned with Iran, a nation whose policy is the destruction of Israel and the expansion of Islamic law throughout the world. Iran is a massive presence on the international oil market, and is a leading oil producer just behind Saudi Arabia. As a rogue nation seeking nuclear weapons, the threat associated with Iranian dominance of the global energy market is significant. Whether Iran shuts down its oil exports as an economic attack on the West or a regional military conflict disrupts Iranian oil supplies, consumers of imported energy will face the financial shock.

#### THE FOREIGN SUPPLIES WE CONTROL ARE HIGH RISK

In addition to outright hostility from suppliers, we are faced with disruptions associated with regional instability. The risk associated with investing billions of dollars in unstable countries is substantial. In 2007, investors discovered how real the risk can be when the Venezuelan government took control of oil production infrastructure that was built and operated by American and European energy companies.

Energy exploration and development is extremely costly, and requires up-front cash investments that offer little or no return until a project is completed. For example, an oil rig can cost a billion to deploy. Once projects are completed, owners risk having costly infrastructure seized by foreign governments or damaged by local violence.



*Nigeria's oil pipelines are often attacked. Approximately 50% of Nigerian oil is sold in the United States.* 

For example, independent oil companies in Nigeria such as Royal Dutch Shell operate in the river delta region. Gangsters, ethnic militias, and local residents have all been part of violent disputes over who deserves the revenue from oil production. These conflicts have been extremely violent and have resulted in attacks on oil facilities, as well as the destruction of entire villages.

These circumstances make acquiring land and operating modern infrastructure very challenging. However, roughly 50% of the oil produced in Nigeria is sent to the United States. As a result, independent oil companies continue to rely on Nigeria, one of our nation's most important oil suppliers.

Each of these factors plays a role in the unpredictability of energy resources. As American dependence on foreign oil continues to rise, disruptions of oil deliveries due to violence in Nigeria (or other foreign suppliers) will have a significant impact on consumers.

#### OIL AND GAS

Opponents of fossil fuels have helped to create the energy crisis we are facing today by driving oil and natural gas production out of the United States. While increased domestic production would not alter our need to develop long-term energy solutions, there are abundant untapped energy reserves throughout our country that would reduce prices, provide improved reliability and help transition our nation to alternatives.

Several government reports and surveys demonstrate the vast resources available throughout the United States today.

• The Department of Interior, in cooperation with other federal agencies, discovered that 76 percent of our domestic oil and gas resources are being left untapped. The Scientific Inventory of Onshore Federal Lands' Oil and Gas Resources concludes that "187 trillion cubic feet of natural gas and 21 billion barrels of oil" remain available within the United States.

• The Department of Interior's Minerals Management Service concluded that as much as 115.4 billion barrels of oil and 633.6 trillion cubic feet of natural gas are currently available in the outer continental shelf (OCS) of the United States. Today, only 3% of OCS re-



*Oil and gas reserves in the Arctic are being exploited by Russia and other foreign governments but not the United States.* 

sources are being used for energy, while 97% remain off limits.

• The Department of Energy concluded that 2 trillion barrels of oil shale are available within the United States.

These reports, which have not been well-reported by the mass media, demonstrate that the United States is capable of securing energy independence today. Oil shale alone could provide Americans the transportation fuel needed for the next 250 years.

It is also noteworthy to point out that new energy exploration and development would likely yield the discovery of far more resources throughout the United States. The Prudhoe Bay project in Alaska, for example, continues to exceed U.S. Geological Survey estimates by literally billions of barrels of oil.

#### THE BLAME GAME

In recent months, news accounts across the nation have highlighted the struggles of American families trying to cope with historic gas prices. However, few of these accounts describe the circumstances facing our nation or the underlying causes associated with energy shortages. Instead, what Americans generally witness on the nightly news



Photo taken in Visalia, CA June 11, 2008.

are commentaries laced with exaggerations, distortions, and other misleading information intended to deflect accountability away from federal policies. At the same time, none are willing or able to explain a path forward that would actually reduce prices in the near-term.

Instead of offering real solutions, many officials are suggesting that high energy prices are somehow related to a failure on the part of government to police American oil companies. "People deserve a more scrupulous cop on the beat in these markets," a lawmaker from Washington said. Another Member of Congress announced in a Congressional hearing that she would support a government take-over of American oil companies if executives couldn't promise lower prices.

However, the truth is far more problematic for our longterm economic security than populist arguments against independent oil companies can convey. Indeed, there is no amount of regulation or taxes that can be imposed on American energy companies that will alter our growing crisis. Such policies would simply place the United States at a further disadvantage and would grow our dependence on foreign supplies.

The simple truth remains that American oil companies are irrelevant in the larger debate over why we are experiencing high prices today. ExxonMobil and other energy giants are actors not directors and they have responded in an entirely predictable manner to federal and state policies that have driven energy development outside the United States.

In addition, it should be noted that American oil companies do not, contrary to popular misconception, control oil prices. Despite their large size relative to other sectors of our economy, American oil and gas companies are dwarfed by the foreign governments and state-controlled enterprises with which they compete. Government run oil giants including the National Iranian Oil Company, Aramco, Qatar Petroleum, Abu Dhabi National Oil Company, Gazprom, and KPC control 94% of global oil supplies.

Rather than adopt policies that give foreign governments and oil cartels more power over American energy, Congressional attention would be better served by examining policies that would increase domestic energy production. Indeed, the intentional deflection of the energy crisis from one of flawed public policy to corrupt corporations has done nothing to advance the debate over U.S. energy security. Instead it has promoted a simplistic and flawed understanding of why we are suffering high gasoline prices and electricity shortages.

#### ENVIRONMENTALISTS AND THE CRUSADE

#### PROTECTING THE ENVIRONMENT

The development of oil, gas or coal in the United States requires a careful balancing of the need to extract resources with any potential impacts on the environment. For this reason, environmental regulations follow fossil fuels from the point of extraction all the way through the end use by consumers. As a result, modern energy development does not represent a significant threat to the environment.

Despite this fact, government officials continue to pursue 'renewable energy only' initiatives, as well as a host of policies that have helped to drive conventional energy production offshore.



Hollywood depictions of a looming global warming apocalypse have contained a long list of errors that overstate, exaggerate, or otherwise distorted the facts concerning human involvement in global warming. Global warming is the leading arguement against energy development.

#### THE CRUSADE

Opponents of fossil fuels have used the complex challenges associated with coal, oil and gas to virtually halt exploration and development of these resources.

What many of the opponents of fossil fuels fail to share with the American people is that renewable energy sources are incapable of replacing oil, gas or coal at this time. The task of rapidly deploying enough renewable energy to provide our nation with reliable and affordable power is not only technically impractical but financially irresponsible. Solar and wind based energy, for example, represent less than 1% of the energy we consume and could not feasibly replace fossil fuels as our primary energy source for many decades. In the meantime, we will require significant quantities of fossil fuel-based energy to keep our economy growing.

If we force Americans to wait for renewable energy to eliminate our dependence on fossil fuels, the United States will endure decades of high energy prices and our economy will crumble. Far from being an economic powerhouse, our nation will experience negative growth, job losses, poverty, and energy rationing.



Gas rationing in 1974 resulted from an embargo by Arab oil producers as punishment for American foreign policy. At the time, oil imports represented only 36% of consumption. Today, imports total nearly 60% and are growing.

#### THE CRUSADERS

Leaders of organizations including the Natural Resources Defense Council, Sierra Club, League of Conservation Voters, Greenpeace, and others have long portrayed themselves as defenders of the environment while pursuing radical agendas. As a result, commonsense environmental stewardship practices have given way to extreme policies that have increased our dependence on foreign oil and raised our energy prices.

It is noteworthy to point out that liberal leaders abandoned the cause of conservation long-ago in favor of their crusade against fossil fuel consumption. This was made



Global warming, the leading argument against energy development, is being used by environmentalists to portray a looming apocalypse.

explicitly clear by environmental movement leader Steven Wilson in 1981.

"...our perception of the 'energy crisis' is different from many. We feel that Americans have had too much fuel available, that less will be better. I see it as the 'effects of too much energy' crisis," said Steven C. Wilson, Etheos Mountain Agriculture Institute, quoted in National Geographic Report on Energy, February 1981.

Wilson's statement in 1981 was followed by 26 years of advocacy by environmental groups that have raised the price of gasoline in an effort to drive American consumers away from oil. Believe it or not, these people actually believe that our nation has had access to cheap fuel for too long and that high energy prices are a good thing.

It is important to note that environmentalism is not incompatible with human development. Given the extraordinary growth in population around the world and the rapid depletion of natural resources, it is essential for us to make decisions that are sustainable in the long-term. For example, Greenpeace founder Patrick Moore recognizes our need for reliable energy and is a leading proponent of nuclear power.

#### THE DOOMSDAY CULT HAS GONE MAINSTREAM

Scientists have documented a human-induced increase in greenhouse gas emissions since the Industrial Revolution. They have also documented that these greenhouse emissions hang around in the Earth's atmosphere for years, therefore increasing concentrations. However, it is difficult to determine the affects of greenhouse gases. Indeed, at this time scientists cannot prove that greenhouses gases are contributing to climate change. Other complex and natural factors play significant, most likely predominant roles, and have driven climate change over the history of our planet. An objective lesson in natural climate change may be found by examining Mars which has been undergoing a warming period since the 1970's. Scientists believe that changes in the behavior of the sun are to blame.

Countless studies have been published – many of them contradicting – related to global warming. The fact remains there are aspects of climate science that are proven, and there are other aspects that have significantly less certainty. Scientists have documented that the Earth's temperature is rising. However, scientists admit that they cannot be sure whether the Earth's temperature is rising due to cyclical warming and cooling processes, or whether and how much humans are influencing it.

Despite the scientific limitations which impact our understanding of global climate change, liberals have successfully incorporated their doomsday message into mainstream American thought. As a result carbon dioxide, a naturally occurring and essential component to life on Earth, has been recast as "greenhouse gas." Greenhouse gases are blamed for global warming under various climate change theories and because fossil fuels are responsible for significant quantities of carbon dioxide, we are told that we must end our use of the substance or face certain doom.

#### **NEWFOUND SUPPORT**

It is impossible to fully appreciate the energy challenges faced by America today unless we take the time to understand how the theory of global warming has and continues to impact public policy; chiefly by mandating cuts to carbon dioxide emissions.

As has already been noted, 86% of our energy comes from fossil fuels; an energy source that emits carbon dioxide. This has given environmentalists newfound support in their crusade against oil, particularly from those who have accepted the doomsday scenario associated with global warming.

As a result, efforts to achieve energy independence are being held hostage by environmentalists who insist all new power generation be sourced from renewable resources. This demand places American consumers in an impossible position because it is impossible to replace oil and gas with renewable energy at this time. As has al-

### Taking options **off** the table & forcing America to **ration** energy

**No!** Environmental groups **oppose construction of coal-fired power plants and coal-to-liquid technology**, despite the fact that technological improvements have significantly reduced environmental impacts. The United States has a 250 year supply of coal.

**No!** Environmental groups **oppose construction of nuclear power plants**. Nuclear power plants are the most efficient source of energy. They reduce dependence on fossil fuels and produce no air pollution.

**No!** Environmental groups **oppose construction of hydro-electric** facilities. New dams offer clean hydro-electric power and more reliable supplies of water.

**No!** Environmental groups **oppose wind farms** due to concerns related to birds, bats and beneficial insect populations.

**No!** Environmental groups oppose the use of natural gas.

**No!** Environmental groups **oppose the use of oil shale**. Oil shale could supply transportation fuel to Americans for 250 years.



High energy costs drive manufacturing and other good paying jobs out of the United States. California lost 375,000 manufacturing jobs between 2001 and 2007.

ready been mentioned, renewables represent less than 1% of our nation's total consumption. Transformation will take time, as well as considerably more investment than currently available.

Our current circumstances leave us with two clear options. We must either tolerate increasing energy prices, as well as the economic struggles these high prices will bring, or we must exploit more of our resources today to tide us over until new energy alternatives are deployed and readily available to Americans.

### WHY WE DON'T PRODUCE ENOUGH ENERGY: CONFLICTING POLICIES, OUTDATED LAWS AND ORGANIZED OPPOSITION

The United States is currently experiencing the consequences of federal, state and local government policies that limit energy production. Not only are we failing to exploit our nation's abundant resources but we are also under-investing in alternative energy sources.

Conflicting policies, outdated laws and well organized opposition to new energy production in the United States often prevent investors from building the infrastructure needed to reduce our dependence on foreign oil.

By way of example, in 2005 it was publicly reported that more than 30 environmental and regulatory impairments were stalling domestic natural gas production. These problems persist today. At the same time, we continue to experience significant growth in demand.

In total, approximately 23% of energy consumption in the United States is now sourced from natural gas. However,

domestic production of this important energy source has actually declined. While we have abundant supplies and could be an exporter of this key energy source, we are forced to import significant quantities to meet our domestic energy needs.

#### **REALITY: HIGHER PRICES AHEAD**

Through various forms of public advocacy, including major Hollywood film productions, the energy debate has been shifted away from our nation's failure to develop infrastructure to one centered on a looming climate disaster and conspiracies involving "big oil" companies.

Environmentalists, as well as the government officials they support, have not provided the American people the full truth concerning our current situation. Today's high prices are not simply the result of dependency on fossil fuels, but are instead the result of policies that have driven oil and gas production out of the United States.

Without change, Americans face an extended period of high energy prices and resulting economic uncertainty.

#### EXPENSIVE ENERGY HURTS AMERICA

Inexpensive and reliable access to energy is a driving indicator of technological development and growth around the world. In the United States, this has given us a significant advantage. However, we are not assured this advantage in the future. Today, Americans are experiencing double digit increases in utility bills and gas prices are at record highs.

In California, high energy prices have helped to drive 375,000 manufacturing jobs out of the state between 2001 and 2007. This represents nearly 20% of the overall manufacturing presence in the state. Family budgets are also hard-hit, and while energy conservation is widely accepted, it is difficult to ration a resource that is essential to daily life.

#### SOLUTION: AMERICAN MADE ENERGY ACT

#### OIL & GAS: DRILL FOR TODAY AND INVEST FOR TOMORROW

Congress can and should provide short-term relief to consumers while funding a long-term solution to achieve energy freedom. Recognizing the importance of these two goals, Congressman Nunes introduced a bill that would allow our nation to develop a minimum of 136 billion bar-

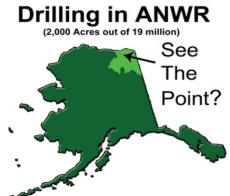
#### ARCTIC NATIONAL WILDLIFE REFUGE REALITY CHECK



# LOWER GAS PRICES BY USING OUR RESOURCES...

Proposed oil and gas production in ANWR is limited to a barren, flat and mostly lifeless area on the northern slope.

Environmentalists have misled the American people by portraying the area of ANWR sought for energy development as a pristine wilderness. The footprint of the proposed development would occupy 2,000 acres, less than half of one percent of ANWR. The area is completely flat and barren with no trees, hills, or mountains. Nine months of the year it is covered with snow and ice and practically void of life. Three of those months are in total 24 hour darkness. In the 6 weeks of summer the coastal plain is dotted with thousands of lakes and is covered by boggy tundra on permafrost (permanently frozen ground).



Can you see the small red point? You might need a magnifying glass. This is the portion of ANWR sought for oil and gas exploration... rels of oil from the Arctic National Wildlife Refuge (ANWR) and the Outer Continental Shelf (OCS). These resources are abundant and would eliminate our dependence on Middle Eastern oil, as well as lower energy prices. In short, and despite what you may hear in the media, we can reduce oil and gas prices by drilling in our own country.

Furthermore, if we fail to pursue our resources, others may find ways to do so. In the outer continental shelf, Cuba, Venezuela and China are all drilling for oil and gas right off the coast of the United States. Near ANWR, Canada is exploring offshore oil resources. In other words, foreign governments have set up projects on our borders and are taking resources from North American energy reserves.

It is noteworthy to point out that while Congress has prevented production of new oil or gas resources within the United States, our foreign competitors are aggressively consuming international supplies. Growing demand throughout the world is largely responsible for high energy prices today. The situation will only get worse in the coming years, as more developing nation's industrialize and begin to consume more energy.

#### COAL: AMERICA'S 250 YEAR SUPPLY REMAINS AVAILABLE

The United States has a 250 year supply of affordable coal within our borders. Modern coal technologies permit coal gasification, as well as the conversion of coal into a liquid form. These refinements make it easier for coal to serve as a substitute for foreign oil.

However, development and deployment of the technologies necessary to achieve commercial viability of new forms of coal energy requires significant investments. As does the infrastructure needed to resolve environmental concerns. In addition, access to the raw material itself requires Congressional action because significant quantities of coal are currently off limits. The American Made Energy Act makes it possible for the United States to fully utilize this abundant resource.

#### WE NEED TO GO NUCLEAR

While the exploration and development of our nation's abundant natural resources is necessary to achieve shortterm reliability and price reductions for American consumers, long-term energy reform must include greater use of advanced nuclear technology.

To put it bluntly, Americans will have to get over their fear



Abu Dhabi is the richest city in the world. Built with oil money, the United Arab Emirates capitol city boasts the world's highest absolute and per-capita level of sovereign wealth funds, calculated at \$1 million per resident.

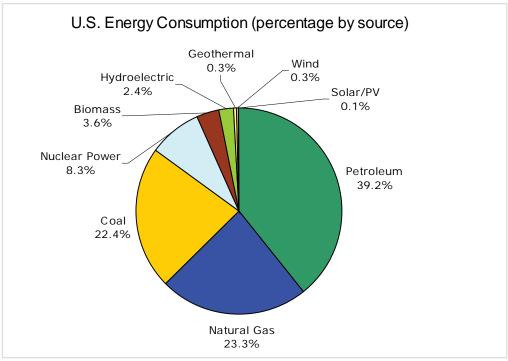
of nuclear power generation, which is largely based on misinformation and scare tactics fostered by environmental groups. Nuclear power is safe, efficient and environmentally friendly and it is the only way America will secure adequate, affordable and reliable supplies of energy in the long-term.

Today, nuclear reactors represents 8.3 percent of our nation's energy consumption. A 1,000-MW nuclear reactor produces enough electricity to supply power for 740,000 households. The equivalent generation of power by conventional energy sources requires either 13.7 million barrels of oil, 3.4 million short tons of coal, or 65.8 billion cubic feet of natural gas.

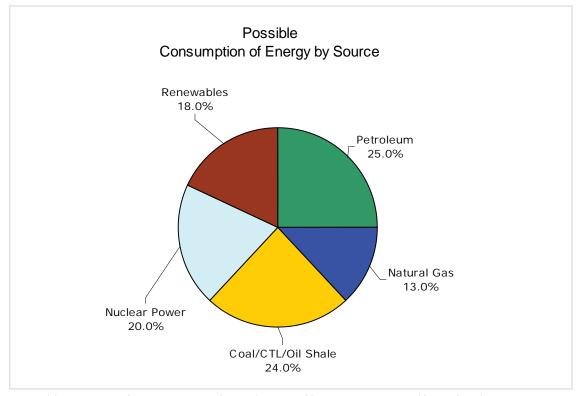
Although renewable energy sources, including solar and wind energy, will be important components of a more diverse energy portfolio, they are not capable of providing the base-load power needed by our growing economy. To replace a single nuclear reactor, it would require 3.3 million solar panels.

#### ENERGY DIVERSITY: RENEWABLE POWER NEEDS GREATER IN-VESTMENT

By allowing American energy developers to access domestic oil and gas, the American Made Energy Act raises tens of billions of dollars in revenue from royalties and leases. The Department of Energy and Department of Interior estimate total federal revenues could reach \$60 trillion by allowing energy development. These dollars would be deposited into an energy independence trust fund and



Based on data from the Energy Information Administration, Annual Energy Review 2007



If the American Made Energy Act were to become law, renewable energy generation would expand, nuclear power generation would double, and abundant coal resources would be used to offset oil and gas imports. Overall, America's energy portfolio would reflect our nation's abundant and diverse resources. While it is impossible to predict the exact mix of energy use in the United States long-term, we can say with certainty that the American Made Energy Act will promote diversification and greater domestic production.

would be made available for solar and wind energy programs, the deployment of coal-to-liquid technology, future biofuels, and other alternative energy initiatives.

If Congressman Nunes' legislation were to become law, it would represent the largest investment in alternative energy in American history. Tens of billions of dollars would be dedicated to initiatives that would free the United States from foreign oil dependence and reduce carbon emissions while continuing to supply American consumers the affordable energy they need.

#### CONCLUSION

Since 1994, Republican lawmakers have attempted to increase domestic production of the fuels we use on a daily basis. However, each time a bill has come before Congress, environmentalists and their allies have blocked progress. In the final analysis, 91% of House Republicans supported legislation that would deliver American made energy to consumers. In sharp contrast, over the past 14 years, 86% of Democrats voted NO on initiatives necessary to increase production.

Since January 2007, gas prices in the United States have risen more than they had in the previous six years combined- including the period of uncertainty following 9/11. They have risen from an average of \$2.33 per gallon to more than \$4.00 per gallon. If Congress doesn't act to change public policy and increase domestic production, prices will continue to rise.

Drilling for oil and gas, as well as using our 250 year supply of coal, does not mean that we can or should abandon development of new energy sources. Indeed, most public officials recognize the importance of diversifying our nation's energy portfolio. In the long-term, there is universal recognition that fossil fuels are a wasting resource - that is, there are not unlimited supplies.

Differences over American energy policy are primarily over how to achieve a transition to new sources of energy. The underlying question that is central to this debate is whether or not Americans should be forced to ration energy until renewable and alternative fuels are made widely available.

I and many of my colleagues believe that energy rationing is a bad thing. High energy prices damage our economy and make it difficult for Americans to pay their bills. We want to use a mix of all of our domestic resources to make energy affordable today, while making the financial commitment necessary to transition away from fossil fuels in the long-term. However, our ideas have been demonized and blocked by environmentalists and their allies.

Congress needs to have an open and honest debate concerning the energy crisis confronting us today. In addition, House and Senate leaders should allow a vote on whether or not to use our domestic resources. The American people can have the energy they need today at affordable prices, while transitioning to new forms of energy. The American Made Energy Act provides a road-map to such an outcome.

#### AMERICAN MADE ENERGY ACT

#### **OPEN ANWR and OCS**

Opening ANWR and the OCS will provide 175.28 trillion cubic feet of natural gas and 1.127 trillion barrels of oil, eliminating dependence on foreign oil, increasing reliability of supplies and reducing prices immediately.



Allowing American energy producers to access oil and natural gas resources within the United States would generate tens of billions of dollars in lease and royalty revenue. Total federal revenue from the exploration and development could reach \$60 trillion according to the Department of Energy / Department of Interior.





# **Securing America's Energy Future**

Kenneth J. Nemeth

Secretary and Executive Director, The Southern States Energy Board

America's homeland security is at risk as long as we continue to rely on imported sources for our transportation fuels and delay a national initiative to eliminate our dependence on other countries. The United States possesses approximately three percent of the world's proved oil reserves and annually consumes a quarter of its oil production. This heavy dependence on oil is increasingly imported from unstable nations that are unfriendly toward our country. When the Organization of Petroleum Exporting Countries (OPEC) imposed its oil embargo in 1973, the United States was importing 30 percent of its oil. Petroleum imports have jumped to 60 percent today, with 40 percent from OPEC and 16 percent from the Persian Gulf. Total U.S. petroleum imports are expected to reach over 70 percent by 2025, if current policies are maintained (Bezdek 2007).

This spring, the cost of oil exceeded \$120 a barrel and is expected to continue to rise, and the price to American consumers is nearing \$4 per gallon of gasoline at the pump. Over 67 percent of the 22 million barrels of oil that America imports each day fuels our trans-

portation sector, impacting the automobiles, trucks, and airplanes that power our Nation's economic engine as well as the consumers who commute across the country. Even our military purchases a preponderance of its fuel for our fighter jets from some of the most unstable sources in the Middle East.

The Southern States Energy Board's (SSEB) American Energy Security Study, published in 2006, develops a comprehensive plan for the United States to establish energy security and identifies four major oil risks facing our Nation. In addition to our excessive dependence on foreign petroleum imports, oil supplies worldwide are not growing fast enough to keep up with demand. Our country faces increasing competition for existing supplies from large, emerging nations, such as China and India. And we are vulnerable to potential domestic supply disruptions from terrorist acts, purposeful rationing by the OPEC cartel, or natural forces as demonstrated in 2005 by Hurricane Katrina. The plan also emphasizes the need for improved domestic enhanced oil recovery programs using carbon dioxide capture and storage, increased vehicle fuel efficiency, and sensible energy conservation.



*Hurricane Katrina damaged oil infrastructure throughout the Gulf.* 

New oil discoveries are not keeping up with historic world increases in oil consumption, driven by the United States, China, and India. The United States faces a serious liquid transportation fuels crisis. To mitigate the unprecedented risks and to provide for future economic prosperity and national security, the country must reduce its growing dependence on foreign oil suppliers by producing its own liquid fuels from domestic sources such as coal, biomass, and oil shale. While some refer to the oil risks and challenges the Nation faces as an "energy crisis," this is misleading. What we face is the ominous prospect of crippling oil and liquid fuel shortages and soaring, volatile prices (Southern States Energy Board 2005).

Embarking on a national mission to achieve energy security and move toward liquid fuels independence will not only reduce risk and lower oil prices and oil price volatility, it also will facilitate an industrial boom, create millions of jobs, foster new technology, enhance economic growth, help to eliminate the country's trade and budget deficits, ensure affordable energy for citizens and strategic fuels for the military, and establish a reliable domestic energy base on which to rebuild globally competitive U.S. industries.

The American Energy Security Study shows that the United States can eliminate dependence on oil imports entirely by 2030. It establishes a bold plan to replace approximately five percent of imported oil each year for 20 years, beginning in 2010 (see Figure 1 below).

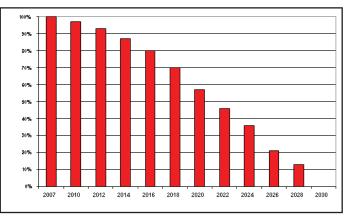
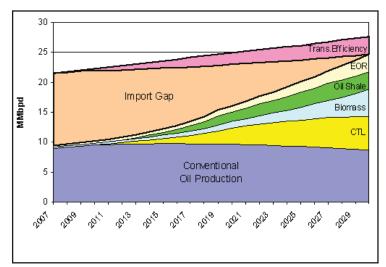


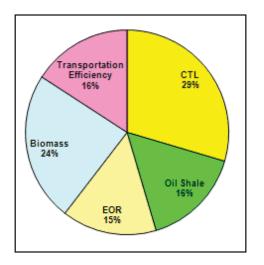
Figure 1. Reduction in U.S. Oil Imports Resulting From the AES Initiatives; Source: Southern States Energy Board and Management Information Services, Inc., 2006.

Assuming aggressive implementation beginning in 2007, under the SSEB American Energy Security initiatives, domestic liquid fuels production and transportation efficiency savings begin gradually after 2010 and accelerate to produce most of the nation's liquid fuels requirements by 2030 (see Figure 2 on next page).

U.S. alternative resources of coal, biomass, and oil shale are the largest in the world, rivaling conventional world oil resources. Numerous low and near-zero emissions alternative liquid fuel plants will need to be brought online each year to manufacture clean fuels from America's vast domestic resource endowment. Substantial improvements in transportation energy efficiency also will be necessary. Clearly, an enormous effort will be required from industry, the financial community, government, and the American people.



*Figure 2.* The Path to U.S. Energy Security and Independence; Source: Southern States Energy Board and Management Information Services, Inc., 2006



*Figure 3.* Estimated Contributions of Each Resource to Eliminate U.S. Oil Imports in 2030; Source: Southern States Energy Board and Management Information Services, Inc., 2006

To establish U.S. energy security and independence by 2030, all feasible supply and demand options must be aggressively pursued. There is no single answer:

• Transportation energy efficiency improvements are important but, by themselves, can contribute only a small

portion of the required solution.

• Renewable biomass fuels are a critical part of the portfolio of required initiatives, but can produce less than onefourth of the required liquid fuels.

• Coal-to-liquids, oil shale, enhanced oil, and coal bed methane recovery will all contribute substantially, and these technologies must be aggressively deployed.

All of the options presented here are technologically feasible, rely on domestic U.S. resources, and are capable of attaining the goals established over the next two decades. The resource assessments, technology assessments, costs, and forecasts were developed by respected experts in their fields.

Figure 3 presents a visual portrayal of how America's most abundant liquid fuel resources can be responsibly harvested to supplement U.S. conventional oil output, thereby reducing and ultimately eliminating the projected oil import gap. Clean production technologies, aggressive development programs in coal-to-liquids (CTL), various biomass-to-liquid fuels processes, oil shale extraction and gasification, and CO2 enhanced oil recovery (EOR), all play a critical role. Voluntary transportation efficiency and conservation (TE&C) programs that reduce consumption also will be necessary.

The American Energy Security Study finds that, even with aggressive implementation of all of the initiatives, it will take at least a decade to begin significantly reducing U.S. oil imports and well over two decades to achieve national energy security and independence. Any delay will leave our country highly vulnerable to shortages, supply disruptions, high and volatile prices, and the catastrophic possibility that world oil production may soon peak.

Strong leadership will be required to achieve the goals stated in the American Energy Security Study. Political, business, and community leaders will be called upon to inspire the time proven energy, ingenuity, and resolve of Americans in crisis—elevating national will. Leadership at all levels will create a new national mission, bringing Americans together behind the cause of oil security and independence, much as was done during World War II to achieve a crucial goal of similarly enormous proportions. Our hope is that many will rise up to this leadership challenge. The stakes could not be greater. American partnerships will need to be strengthened between industry, government, and our communities. Industry sectors inclined to compete against each other will need to find common ground to work together in a cooperative spirit. The American people and local communities must be inspired to offer their patriotic support for new industries and businesses that manufacture the domestic alternative liquid fuels on which America's future depends. Though the challenges ahead are great, there will be bountiful benefits and opportunities created for all if we join together as a country to overcome foreign oil dependency.



Since February 1975, Mr. Kenneth Nemeth has served as Secretary and Executive Director of the Southern States Energy Board, an interstate compact of 16 states and two territories whose members are governors and state

legislators with a federal representative appointed by the President of the United States. Mr. Nemeth is responsible for the direction, formulation, development, demonstration, and implementation of all Board programs. During Mr. Nemeth's tenure, the Board has undertaken initiatives in a wide range of energy and environmental policy and technology areas. These include the creation of international partnerships and coalitions for clean energy, environmental protection, and economic development. His diplomatic and political skills have facilitated joint partnerships throughout the world. Mr. Nemeth currently serves as a member of the National Coal Council and numerous boards, organizations, task forces, and partnerships representing energy and environmental strategies and technologies. His service to the region is acclaimed with honors and awards throughout the country. Mr. Nemeth is a graduate of the Florida State University in Tallahassee, Florida.

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# All feasible options must be aggressively pursued...



**Yes!** Transportation energy efficiency improvements are important but, by themselves, can contribute only a small portion of the required solution.

Yes! Renewable biomass fuels are a critical part of the portfolio of required initiatives, but can produce less than one-fourth of the required liquid fuels.

Yes! Coal-to-liquids, oil shale, enhanced oil, and coal bed methane recovery will all contribute substantially, and these technologies must be aggressively deployed.

**Yes!** Nuclear power plants produce no air pollution and are a reliable source of inexpensive power. With lower prices and greater reliability, we can use our nation's electrical supply to power plug-in hybrid vehicles.

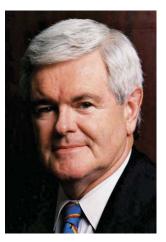
"Total U.S. petroleum imports are expected to reach over 70 percent by 2025, if current policies are maintained."

# Think Tank

"I asked former Speaker Newt Gingrich to comment on how we can foster longterm prosperity in America. Below is his response." Rep. Devin Nunes.

### Let's create an economic boom

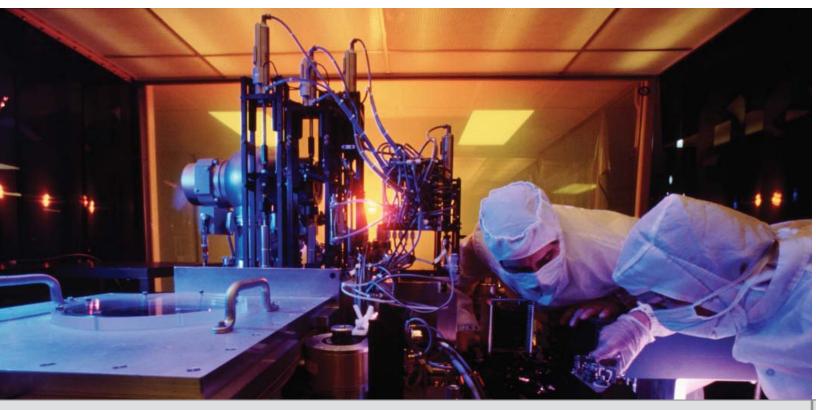
By Newt Gingrich



If everyone who worries about American jobs and American prosperity understood one fact, we would have a totally different and much improved national economic policy. That fact is: geese can fly.

Remember the goose that laid the golden egg? For America, that goose has been a free market economy that encourages entrepreneurs—using science, technology, and stunning increases in productivity—to create wealth that spreads throughout society.

George Washington, Benjamin Franklin, Thomas Jefferson, and Alexander Hamilton all understood this fact. They knew why America prospered, and they knew that knowledge and money, like geese, can move around the world.



Now there are two real threats to our economic future. The first is the liberal government model of high taxes, complex regulations, expensive and destabilizing lawsuits, and rule by bureaucracies that fail to perform (especially in education). The second is the desire to hide from world competition by closing markets and "protecting" current jobs and investment at the expense of the jobs of the future. These two threats could combine to convince the golden goose to fly to other countries and create jobs and wealth over there.

We have seen case after case of destructive American policies driving business and jobs out of the United States:

• Tax policy has driven the reinsurance business out of the country.

• Litigation threats are a major factor moving financial sector jobs from New York to London.

• Energy policy, taxes, and regulations are driving chemical industry jobs overseas.

Bad policies drive entrepreneurs, knowledge, and capital away and kill American jobs while trying to "protect" them.

Bad policies lead to bad outcomes. But the reverse is true as well. If we have the right policies, policies that expand our free market system, we can create better outcomes than we can imagine.

There are two key steps we can take to create the right policies for America that would result in an economic boom and create enduring prosperity for American workers.

#### MOVE TO A ONE PAGE OPTIONAL FLAT TAX

According to polling data compiled by American Solutions, four out of every five Americans would like to have the option of a one-page tax form with a single tax rate. This concept of an optional flat tax would give American taxpayers an opportunity to choose simplicity versus complexity and a single rate over a lot of deductions. All workers and corporations would have the freedom to choose each year to file their income taxes either under the new flat tax option or under the current U.S. income tax code. Anyone who strongly favors a deduction or credit under the federal government's current complex income tax system would have the choice to keep filing that way.

The optional flat tax would apply one single tax rate of 17 percent to all individual and corporate taxpayers. It would also include a standard exemption of \$13,200 for each adult (\$26,400 for a married couple) and a \$4,000 exemption for each child or dependent. The current \$1,000 tax credit for each child age sixteen or younger would also apply, as would the current earned income tax credit (EITC). This would mean no federal income tax on the first \$46,165 in income for a family of four.

The optional flat tax eliminates all loopholes that could allow higher-income people to avoid paying taxes. But the personal exemptions, the child tax credit, and the EITC would free 42 percent of taxpayers—all from lowand moderate-income households—from paying federal income taxes at all. Many tax filers would receive net tax rebates from the child tax credit and EITC.

The optional one page flat tax would eliminate the death tax, the capital gains tax, and the alternative minimum tax. There would be no tax on retirement benefits or on Social Security benefits. There would be no tax on dividends because corporations would have already paid tax on that income at the corporate level.

"Bad policies drive entrepreneurs, knowledge, and capital away and kill American jobs while trying to 'protect' them." -- Newt Gingrich.

Filing under the optional one page flat tax would require just one form on one sheet of paper. This would save taxpayers billions each year in costs of record keeping, paying for tax advice, and filling out complicated tax returns, as well as countless hours of aggravation and worry.

#### MOVE TO PERSONAL SOCIAL SECURITY SAVINGS ACCOUNTS

We will have to rethink Social Security because our new ability to live longer requires a new ability to save and invest more. In 1935, when Social Security was adopted, the average American lived to be sixty-three and would not draw a Social Security pension until age sixty-five. In effect, a majority of the taxpayers would never get back their investment in Social Security. When the first Social Security checks were paid there were forty-two taxpay ers for every Social Security recipient. Today there are three, and in a few years there will be two. Indeed, savings and investment are nowhere a feature of the Social Security system. The majority of the funds paid into the system each month is immediately paid out in the form of benefits to current retired beneficiaries. Any surplus is spent by the federal government in return for IOUs sent to the Social Security trust funds. That is why Social Security is actually a tax and redistribution system, rather than a savings and investment system.

Because Social Security operates this way, it is not a good deal for working people in the long run. Even if Social Security somehow pays all its promised benefits, the real rate of return (the return net of inflation) on all the taxes paid into the system over the years would be 1 to 1.5 percent or less for most workers today. For many, it would be zero or even negative. A negative real rate of return would be like saving your money in a bank, but instead of the bank paying you interest, you pay the bank interest.

Suppose instead that workers were free to save and invest, in their own personal accounts, up to roughly 50 percent of what they currently pay in payroll taxes. Employers would contribute the same amount to their workers' personal accounts out of the payroll taxes they currently pay on behalf of their employees. This plan was proposed in a bill introduced in the last Congress by Republican congressman Paul Ryan of Wisconsin and Republican senator John Sununu of New Hampshire. (Lower-income workers are allowed to invest a slightly higher percentage of what they currently pay in payroll taxes, and higher income workers a little less.)

Under the Ryan-Sununu option, the federal government would still sponsor a complete Social Security system. Both workers and employers would be required to contribute to retirement savings via Social Security, and workers would be guaranteed the same level of benefits the current system promises. The most significant difference is that the new Social Security system would provide workers with far more retirement money in an account that they would own and could pass on to their families when they died. More money with the same federal guarantee: this is quite simply a better deal for workers.

Personal Social Security savings accounts would constitute the first great breakthrough in the personal prosperity of working people in the 21st century. Even workers earning the lowest incomes could give their children a major financial boost with the substantial funds accumulated in their personal accounts by retirement. As a result, new private sector capital would flow into the inner city and other poor communities across the nation. This would provide a financial foundation for higher education, small businesses, the launching of professional careers, the construction of new housing, and other steps on the road to reaching the middle class.

Personal accounts in Social Security is also the best solution for helping to address income inequality as they would create vast new wealth owned by workers in the bottom half of the income distribution who have little or no wealth holdings today.

The combination of an optional flat tax and personal Social Security savings accounts would lead to booming economic growth and new, higher-paying jobs. The tax reform incentives of the optional flat tax plus the huge amounts of new capital here at home produced by the personal accounts would cause capital investment to flow into the American economy from around the world. This economic vision would create a future of enduring prosperity for all American workers.

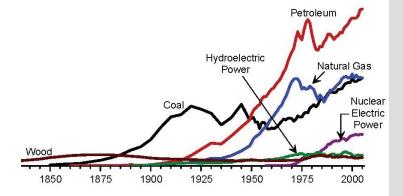


Former House Speaker Newt Gingrich is General Chairman of American Solutions for Winning the Future and author of Real Change: From the World that Fails to the World that Works (Regnery 2008). This essay is adapted from Real Change.

# Myth versus Reality

# 1% of our energy has become 100% of the conversation.

myths that cause Americans to oppose energy exploration...



**Myth:** It would take ten years or more to see any benefit from new energy exploration in the United States and there really isn't that much oil and gas to be found in our country.

**Truth:** Even under the worst possible circumstances, we could begin to see real energy deliveries in under five years from new drilling in Alaska. Studies by the Minerals Management Agency and the Department of Interior demonstrate that known reserves are plentiful and are enough to supply our nation for decades. If President Clinton had not vetoed legislation authorizing new drilling in Alaska, we would have significant additional quantities of domestic energy today. Indeed, drilling in the northern slope would generate enough oil to end imports from Saudi Arabia. **Myth:** Alternative and renewable energy is less expensive than conventional energy and could easily replace fossil fuels today.

**Truth:** For the most part, renewable and alternative energy has been MORE expensive than conventional energy - even with substantial government subsidies. As a result, less than 1% of our energy comes from renewable sources (solar and wind). In addition, because renewable energy generates less power than conventional energy, it would take a lot of renewable infrastructure to replace a single conventional plant. For example, before it was shut down the Rancho Seco nuclear power plant generated 900 MW of energy. A solar plant is now operating at the site and is generating only 3.9 MW of energy, requiring 900 solar panels and 10 acres of land. To fully offset the lost production from the nuclear plant, it would take 3.3 million solar panels.



The average American consumes 334 million Btu of energy every year. The vast majority (86%) of which comes from fossil fuels. More than 300 billion barrels of oil are known to exist within U.S. controlled territory today. In addition, hundreds of trillions of cubic feet of natural gas are available. Despite growing dependence on foreign oil and record energy prices, these resources remain off limits under current law.



### The Patton of Counterinsurgency

With a sequence of brilliant offensives, Raymond Odierno adapted the Petraeus doctrine into a successful operational art. *by Frederick W. Kagan and Kimberly Kagan Reprinted from the Weekly Standard*, March 10, 2008

"I met Raymond Odierno during my first visit to Iraq. At the time, American forces were facing a well organized insurgency. Military experts and many Democrat politicians all but declared our defeat. Today, thanks to bold decisions by leaders like General Odierno, we are now making progress in Iraq. **The Patton of Counterinsurgency** is a well written explanation of how Generals Odierno and Petraeus turned the direction of the war and made victory possible in Iraq," Rep. Devin Nunes.

**G**reat commanders often come in pairs: Eisenhower and Patton, Grant and Sherman, Napoleon and Davout, Marlborough and Eugene, Caesar and Labienus. Generals David Petraeus and Raymond Odierno can now be added to the list. It's natural to assume that successful pairs of commanders complement each other's personalities (the diplomatic Eisenhower and the hard-charging Patton, for example) or that the junior partner is merely executing the vision of the other (Sherman seen as acting on Grant's orders). In reality, the task of planning and conducting large-scale military operations is too great for any single commander, no matter how talented his staff. The subordinate in every successful command pair has played a key role in designing and implementing the campaign plan.

History does not always justly appreciate such contributions. The role that Davout played in shaping operational plans for Napoleon is a matter for specialists. General Odierno deserves bet-



General Raymond Odierno and Congressman Devin Nunes in Iraq (2007)

ter. He played an absolutely essential role in designing and executing the successful counterinsurgency operations in Iraq. His contributions to securing Iraq offer many important lessons for fighting the larger war on terror. As he and his team return to Fort Hood, Texas, it is important not only to commemorate their achievement, but also to understand it. Lieutenant General Raymond Odierno took command of Multi-National Corps-Iraq (MNC-I) on December 14, 2006. Iraq was in flames. Insurgents and death squads were killing 3,000 civilians a month. Coalition forces were sustaining more than 1,200 attacks per week. Operation Together Forward II, the 2006 campaign to clear Baghdad's most violent neighborhoods and hold them with Iraqi Security Forces, had been suspended because violence elsewhere in the capital was rising steeply. Al Qaeda in Iraq (AQI) owned safe havens within and around Baghdad, throughout Anbar, and in Diyala, Salah-ad-Din, and Ninewa provinces. The Iraqi government was completely paralyzed.

When General Odierno relinquished command of MNC-I on February 14, 2008, the civil war was over. Civilian casualties were down 60 percent, as were weekly attacks. AQI had been driven from its safe havens in and around Baghdad and throughout Anbar and Diyala and was attempting to reconstitute for a "last stand" in Mosul--with Coalition and Iraqi forces in pursuit. The Council of Representatives passed laws addressing de-Baathification, amnesty, provincial powers, and setting a date for provincial elections. The situation in Iraq had been utterly transformed.



General David Petraeus.

As is well known, General Petraeus oversaw the writing of a new counterinsurgency doctrine before being sent to Iraq. But the doctrine did not provide a great deal of detail about how to plan and conduct such operations across a theater as large as Iraq. It was Odierno who creatively adapted sophisticated concepts from conventional fighting to the problems in Iraq, filling gaps in the counterinsurgency doctrine and making the overall effort successful.

#### THE LEGACY OF 2006

The commanders who preceded Petraeus and Odierno had put a priority on encouraging the nascent Iraqi Security Forces (ISF) to take responsibility for protecting the Iraqi people. The preferred strategy was to concentrate on training the ISF while using Coalition forces for "supplementing Iraqi Security Forces in ongoing operations--and striking at Al Qaeda in Iraq in particular."

The overwhelming majority of American combat forces were concentrated on Forward Operating Bases, from where they acted to reinforce Iraqi Security Forces and to patrol areas in which there was significant violence. U.S. military operations tended to be reactive rather than proactive, episodic rather than sustained. The insufficiently trained and equipped ISF had been pushed prematurely into the fight and, rather than conducting counterinsurgency operations, relied on ineffective checkpoints. As a result, security ebbed and flowed through neighborhoods and towns but was rarely lasting, and the presence of Coalition forces provided little sense of security for Iragi civilians. Odierno was far less interested in shifting

responsibility to the ISF. As he prepared to deploy to Iraq, he succinctly defined his objectives:

Bottom line? Full restoration of civil authority in Baghdad. Sectarian violence reduced. Extra-governmental armed groups diminished, and their influence diminished. And the government of Iraq viewed as a legitimate institution in the eyes of the Iraqi people.

Odierno had absorbed Petraeus's new counterinsurgency doctrine and knew the importance of establishing legitimate

government institutions by protecting the population from the insurgents trying to alienate them from the government.

#### UNDERSTAND THE ENEMY

A major assumption of previous U.S. commanders in Iraq had been that "kinetic" operations--the favored neologism for "combat"--were counter-productive, producing more resentment and more insurgents. They emphasized the need to win hearts and minds and to avoid alienating the population. While major combat operations generate resentment among the population, and may encourage indigenous forces to become dependent on outside assistance, Petraeus and Odierno recognized that such problems pale in comparison with allowing the enemy to control key terrain and attack targets at will.

Petraeus as he took command in February 2007 emphasized using combat forces to protect the population in major cities, establish and expand safe areas, and clear insurgent safe havens. It was Odierno's job to figure out how, exactly, to accomplish those tasks with the forces he had available. He came quickly to a counterintuitive conclusion: Securing Baghdad required large-scale offensive combat operations outside the city. Previous American commanders had recognized that the violence in Iraq resulted primarily from the actions of distinct enemy organizations--rather than from any inchoate hatred between Sunni and Shia--and they had developed very sophisticated understandings of how individual enemy leaders interacted with each other and their subordinates. This approach flowed naturally from the military thinking of the late 1990s that conceived of conventional enemies as networks of technological systems (computers, communications devices, and power grids, among others). There are important nodes of a technological network that can be disabled to disrupt its functions. and, by analogy, there are people--those providing money, ideological guidance, and the human connections to disperse resources--who are the most important nodes of a terror network. Intelligence assets identified the key players, and Special Forces worked to kill or capture them in targeted raids.

According to this approach, the killing of AQI leader Abu Musab al Zargawi in June 2006 should have disrupted the al Qaeda network severely. But AQI rapidly regrouped after Zargawi's death under a successor, Abu Ayyub al Masri. The American counterterrorism approach disrupted the network but did not eliminate it. AOI's ability to generate violence in Baghdad through its signature vehicle bombs actually increased in the months after Zargawi's death, as did civilian casualties and Shia retaliatory attacks. The entire cycle of violence that attacks on the terrorist network were supposed to bring under control actually ramped up.

Just as Odierno took command, Coalition forces captured an AQI map depicting Baghdad as the center of the fight. AQI's main focus in 2006 was establishing safe havens in West Baghdad. The rise in power and ferocity of the Shia militias, however, forced them to establish bases outside of the capital from which to attack both Coalition forces and their Shia opponents. The map showed how AOI had divided the areas around the capital into regions, how it used these suburban safe havens (in Baghdad's "belts") as part of a complex system for moving weapons into the city, and how it carried the fight south of Baghdad.

AQI's approach -- and Odierno's new understanding of it--made traditional military concepts like lines-of-communication, support areas, and key terrain relevant to the counterinsurgency strategy. Insurgents moving from the belts to the capital required access to particular roads. Maintaining that access required holding neighborhoods bordering the roads. Carbombers needed factories in which to make their weapons. IED-users needed ammunition stores and ways of moving their IEDs from depots to frontline fighters. Leaders needed safehouses to allow their free movement in the city and headquarters outside the capital from which they could direct operations. Thinking of the enemy as a network, as U.S. forces had previously been doing, underemphasized the importance of geography and of controlling key terrain to the enemy's operations. Odierno prepared to take that terrain away.



ALLOCATE FORCES

Given the enemy's situation in Iraq, Odierno knew he would need more troops to make the counterinsurgency doctrine operational. He asked for them in December 2006, and President Bush announced the "surge" in January 2007.

The surge brigades made it possible to conduct multiple simultaneous operations rather than focusing on one problem or area at a time. U.S. forces within Baghdad would provide as much security as possible for the population, disrupt enemy groups operating from within the capital, and identify the enemy safe havens within the city. At the same time, Odierno planned to deploy troops into the belts around the capital to attack the enemy's support zones and lines of communication and to eliminate the suburban safe havens that were essential to the functioning of the enemy system.

Odierno worked with the U.S. Special Operations Forces under the command of Lieutenant General Stan McChrystal to make sure they kept up the pressure on key leaders within the terrorist network. Their precise and skillful attacks not only took out insurgent leaders but also provided valuable additional intelligence that Odierno used to refine his plans. And Odierno's operations to clear and hold key terrain would greatly facilitate the Special Forces' efforts by flushing key enemy leaders out of their safe havens. Odierno's kinetic operations developed a positive synergy with the more traditional counterterrorism approach, making both much more effective than either could have been alone.

The five additional brigades President Bush was sending to Iraq arrived gradually, at the rate of about one a month beginning in January 2007. Stemming the violence would require all the additional brigades, but they would not be completely available until June. In the five-month interval. Petraeus and Odierno conducted what the military calls "preparatory operations" to "set the conditions" for "decisive operations." Commanders do this by deploying their forces to the theater. establishing bases, supplying them, organizing command structures, reconnoitering the terrain, developing intelligence about the enemy, and creating maneuver corridors. These tasks often involve units in combat. Forces moving into areas that the enemy had controlled must often fight to establish their new bases. When units reconnoiter the new areas, they make contact with the enemy and fight skirmishes. In each case, the purpose of "preparatory operations" is not to fight and eliminate the enemy from an area, but rather to create the preconditions for successful "decisive operations" in the future that will destroy the enemy.



Petraeus and Odierno used these months to develop a sense of how long it would take a brigade to reconnoiter and master urban and rural terrain before operations could begin, and how fast a brigade could clear that terrain with the mixture of forces it had available.

The protracted nature of the conflict played to America's advantage, surprisingly, as new commanders were able to learn from previous examples and personal experiences even as they adapted to a changing situation and a fluid enemy. Lieutenant General Peter Chiarelli, Odierno's immediate predecessor at MNC-I, had already recognized the need for a shift in approach and begun to reconnoiter the belts around Baghdad and areas within the city before he relinquished command in December 2006. When President Bush announced the change in strategy and surge of forces in January 2007, Odierno was already using the forces that he had, and those that were arriving, to shape the conditions for the large offensive that could not begin until June. He and Petraeus then sent the first two new brigades into Baghdad, and the next three to the belts.

#### INTEGRATE OPERATIONS

When Petraeus took command in February, he set to work integrating Odierno's developing operational plan into an overarching political and military strategy. He established a Joint Strategic Assessment Team to review Coalition strategy and to work in conjunction with the U.S. embassy in Baghdad to develop a Joint Campaign Plan to harmonize military and non-military operations throughout the country. While this team produced a superb product, the overall effort to integrate all elements of American national power within Iraq was only partially successful due to resistance from civilian agencies in Washington and some U.S. officials in Baghdad--as well as to the natural friction that results from trying to coordinate the activities of disparate organizations in a complex environment. It was Ambassador Ryan Crocker's arrival in Baghdad in March 2007 that transformed the U.S. mission in Irag. He pushed hard to implement the Joint Campaign Plan--an effort worthy of a story all its own.

Petraeus also challenged the relation-

ship between U.S. leaders in Irag and their Iragi counterparts. His predecessors' emphasis on encouraging the Iragis to do things for themselves had led them to defer to Prime Minister Nuri al-Maliki whenever possible and to try to avoid confrontations with the inexperienced Iragi leadership. Petraeus took a more activist approach and relentlessly pressured Maliki and other Iraqi officials to make critical decisions and to abandon counterproductive behaviors. Crocker supported this approach and added to the pressure on the Iragis to make the hard decisions and to take risks they would have preferred to avoid.



Petraeus and Odierno also placed a heavy emphasis on the non-kinetic aspects of counterinsurgency. Chiarelli had long argued that improving the quality of life of Iragis and addressing the rampant unemployment of military-age males was essential to the success of the Coalition efforts. But he got tepid support for these non-military efforts from other U.S. agencies. Petraeus and Odierno breathed new life into them by pushing their forces out into Iragi neighborhoods with instructions to spend money (from the Commander's Emergency Response Program funds) to create temporary jobs and conduct immediate-impact reconstruction projects in any areas that were secure enough to permit them. The increased number of troops, their presence in the neighborhoods, and their ability to establish personal relationships with members of the community only added to the effectiveness of these emergency projects. This focus on harmonizing the non-kinetic

with the kinetic was a key element of Petraeus's new counterinsurgency doctrine, but the skill with which he and Odierno actually executed the concept on the ground is what matters.

The Petraeus-Odierno command team. ably supported by Crocker, thus dramatically increased the pressure on all of the major Iraqi actors to abandon violence and start making compromises while also encouraging the average Iragi to believe that there was hope of a better future if he stopped fighting. Odierno's forces hit both Sunni and Shia insurgent and militia groups hard, forcing them into a defensive posture--and generally making violence a much less attractive option. At the same time, Petraeus and Crocker pushed the Iraqi government to support the military operations with their own military and police efforts and with political negotiations and reconciliation efforts. These would begin to pay major dividends by the end of Odierno's tenure.

Neither Petraeus nor Odierno was uniquely responsible for any one aspect of the intellectual framework or its execution. Like any of the great command pairs of history, they shared a set of tasks that would have crushed any single individual, and each made key contributions to the development of a strategy that led to extraordinary and surprising success.

#### SIMULTANEOUS & SUCCESSIVE OPERA-TIONS

For all the sophistication of this integrated political-military and kinetic/non-kinetic approach to the conflict, Odierno is likely to be remembered in military history as the man who redefined the operational art of counterinsurgency with a series of offensives in 2007 and 2008.

"Operational art" is the concept of how to fight wars, developed most comprehensively in the Cold War era--when doctrine called for multiple, simultaneous, and successive operations across a theater. A well-designed campaign consisted of multiple battles occurring at the same time to achieve a common goal (the landings on different Normandy beaches to dislodge the enemy from a defensive position on D-Day, for example) followed by a rapid series of fights and maneuvers to pursue the enemy, drive him from his objectives, and prevent him from regrouping (Patton's relentless pursuit of German forces in France and Germany in 1944-45). Before 2007 there had been considerable debate within the Army about whether there even was an "operational art" in counterinsurgency, let alone what it might be. Odierno demonstrated that there was.

He believed that the surge allowed for "simultaneous and sustained offensive operations, in partnership with the Iraqi Security Forces." In conjunction with Petraeus and his staff. Odierno planned and conducted three successive, largescale military operations in 2007, and a fourth in early 2008. The first was Operation Fardh al-Qanoon ("Enforcing the Law" in Arabic), also known as the Baghdad Security Plan, which starting in February dispersed U.S. and Iragi troops throughout the capital in order to provide security for its inhabitants. The second was Operation Phantom Thunder, which in June and July cleared Al Qaeda in Iraq from its major sanctuaries. The third offensive was Operation Phantom Strike, in which, from mid-August on, Coalition and Iraqi forces pursued AQI operatives and other enemies as they fled their sanctuaries and attempted to regroup in more remote areas. Odierno's last major offensive was Operation Phantom Phoenix, launched just weeks before his departure, to pursue the enemy into Divala and set the conditions for the battle for Mosul--while providing essential services and jump-starting provincial government in less-contested areas.

The key to the success of these operations was the combination of breadth and continuity. All of them struck multiple enemy safe havens and lines of communication at the same time--in contrast with previous U.S. military operations that had generally attacked enemy concentrations one at a time. Enemy groups could no longer move easily from one safe area to another and those that tried to move suffered serious losses as they dispersed. The rapid movement from one operation to the next denied the enemy time to regroup. As scattered insurgent leaders and fighters attempted to reconsolidate in new areas, Coalition forces hit them again and again.



#### Lt. Correia, a Tulare native, and Congressman Nunes in Iraq 2006.

AQI fighters driven from Anbar, Baghdad, and the suburban belts into Divala found reinforced Coalition and Iragi forces there pounding them. Those that survived fled north along the Hamrin Ridge toward Mosul, where Coalition forces pursued them and doggedly prevented them from establishing secure bases even in that remote and rugged terrain. As AOI has attempted to reconstitute in and around Mosul, it has once again encountered a growing U.S. and Iragi presence attacking before it can dig in. The simultaneity of the attacks and the relentlessness of the pursuit shattered Al Qaeda in Irag, reducing it to ever smaller and more isolated pockets that increasingly lack the ability to coordinate the large-scale terror operations that had characterized it in 2006.

As a purely military operation, the series of MNC-I offensives easily bears comparison with Patton's race across France or the Soviet destruction of German forces in 1944 and 1945. That the Iraq operations occurred in the midst of a counterinsurgency and helped gain the support of the local populations is a testimony to the tactical skill and precision with which American forces fought, as well as to the brilliance of the political and diplomatic efforts of Petraeus and Crocker to set the non-kinetic conditions for success.

#### **IRAQ AWAKES**

There is a common myth that the "Awakening" movement in Anbar occurred independently of--even in spite of--the Coalition military operations in 2007. It is true that it began emerging in 2006 thanks to the hard and skillful fighting and negotiating of Army Colonel Sean MacFarland and a number of Marine officers and their subordinates. But Odierno leapt on it and further encouraged it not only in Anbar, but throughout Iraq. He met with the originator of the Awakening movement, Sheikh Sattar Abu Risha, in December 2006 and encouraged U.S. soldiers in Anbar to continue fighting and negotiating in support of Abu Risha's efforts. As other groups emerged in and around Baghdad, Odierno and Petraeus seized on opportunities to make friends of former enemies.

This was no easy decision. Americans had been dying at the hands of Sunni Arab resistance groups since 2003. Many of the "concerned local citizens" (CLCs, now called "Sons of Iraq" because "concerned local citizens" translates poorly into Arabic) were themselves former members of the insurgency. There was some grumbling among U.S. troops about cooperating with former enemies and much concern that the "transformation" of these insurgents into partners would only be temporary.

Petraeus and Odierno, however, saw it as an opportunity. Contrary to popular misconception, they refused requests to provide weapons to the CLCs (who almost invariably had their own weapons anyway). They insisted that all CLCs provide detailed biometric data (fingerprints and retinal scans), the serial numbers of their weapons, their home addresses and family relationships. Counter-insurgency experts have often wryly remarked that it would be easy to end an insurgency if the enemy would only wear uniforms. By collecting all of this information about the CLCs, Odierno and Petraeus were in essence putting uniforms on them. Any CLC who turned against the Coalition or Iraqi forces could be readily identified if he, or his weapon, were captured--and Coalition troops would know immediately where he and his family lived. There have been very few reports of any CLC members taking the risk.

"Will you stay this time?" That was one of the first questions prospective CLCs asked of U.S. troops in 2007. Memories of intermittent security and of the brutal punishments meted out by the returning insurgents to individuals (and their families) who had collaborated with the Coalition made many Iraqis wary in 2007. But because of the change in strategy and operations inaugurated by Petraeus and Odierno, American soldiers could promise to stay. As more and more Iragis came to believe in this promise, the movement blossomed, spreading rapidly to Baghdad, Diyala, Babil, and parts of Salah-ad-Din province as it consolidated in Anbar. In December 2006. Iragi society was mobilizing for a sectarian civil war; by December 2007, it was mobilizing to stop the violence.

The Awakening movement begun in 2006 has turned out to be more than just a revulsion against violence and terror. It has evolved, at least in some areas, into grassroots political movements responding to Iraqis fed up with the gridlock in the central government in Baghdad. While the Anbar Awakening continues to efficiently combat AQI efforts to reinfiltrate the province, it is also forming a complex set of political parties and factions that should pose a serious challenge to the Iraqi Islamic party that nominally represents most of Iraq's Sunni Arabs in the Council of Representatives.

The attempts of Shia tribal leaders south of Baghdad to form their own "awakenings" puzzled many at first, as did the virulence of the Iraqi government's objections to such movements within the Shia community. Visiting the area in February, we met with several of these tribal leaders, and the issue became clear. Even within Iraq's Shia population, frustration with the Maliki government runs high. That frustration is increasingly expressed not simply as resentment of Maliki and his allies, but in a rejection of clerical government (the dominant Shia party south of Baghdad is controlled by a turbaned cleric, Abd al-Aziz al-Hakim); of Iranian influence; and of regionalism, factionalism, and sectarianism. Iraqis, both Sunni and Shia, are increasingly defining themselves as Iraqis, that is to say Arabs, rather than Sunnis or Shia. Their growing rejection of clericalism and preference for secular government was noted recently by Amir Taheri in the Wall Street Journal:



Only the next general election in 2009 could reveal the true strength of the political parties, since it will not be contested based on bloc lists. Frequent opinion polls, however, show that support for avowedly Islamist parties, both Shiite and Sunni, would not exceed 25 percent of the popular vote.

That finding is supported by the sense of those interacting regularly with individual Iraqis outside the Green Zone and provincial offices. The great challenge in 2008 will be harnessing these growing sentiments through provincial elections and preparing for new parliamentary elections in 2009. The alacrity with which Petraeus and Odierno seized on the Awakening movement in 2007 was a key element in making this potentially transformative development possible.

#### THE FIGHT GOES ON

Ray Odierno did not win the Iraq war--indeed, the war is still very much ongoing and victory is by no means assured. (And both he and Petraeus would insist on giving any recognition to their staffs and to the men and women of the American armed forces.) The narrative of Iraq's transformation on Odierno's watch lends itself easily to a triumphal presentation that would be utterly inappropriate. Lieutenant General Lloyd Austin has replaced Odierno as the MNC-I commander, and the fight goes on. Even as you read this article, U.S. and Iraqi forces are waging a battle for Mosul, and Coalition troops continue to confront AQI, Jaish al-Mahdi militiamen, Iranian-backed fighters, and other insurgent and terrorist groups. Americans and Iragis are killing and dying in a struggle to preserve and expand the gains of 2007. If America and its military and political leaders do not remain committed to continuing and improving the strategies that have brought us this far, if they do not provide our troops and civilians in Iraq with the tools and resources they desperately need, then all of the gains we have made can still be lost. Insurgencies don't end with treaty-signing ceremonies or parades. Often it is not possible to know that they have ended until years after the fact.

Odierno's tenure as commander of Multi-National Corps-Irag was an astonishing period in American military history, and his contribution deserves note as he and his staff return home to new postings. Their efforts showed that there is a need even in sophisticated counterinsurgency theory for skillful combat operations, that traditional ways of thinking about war can be appropriately adapted to novel circumstances, and that it is possible to be a warrior. nation-builder, mediator, diplomat, economist, and role-model all at once. At least, it is possible for heroes like Ray Odierno and the soldiers, sailors, airmen, Marines, and civilians he commanded for 15 months at one of the most critical junctures in recent American history.

In April, General David Petraeus was promoted to the position of Commander, U.S. Central Command. General Raymond Odierno was also promoted and is now Multinational Force Iraq commander.



# Storm brewing for William Gray Hurricane forecaster says his dispute with school focuses on global warming debate

Eric Berger

Reprinted from The Houston Chronicle, April 28, 2008

"Global warming is one of the leading arguments against the development of domestic fossil fuel energy. The theory has attracted a religious-like following throughout the environmental community. Skeptics, who have identified extensive flaws in the scientific basis for man-made climate change, have been subject to public ridicule and character assassination. Threats to research funding, as well as other forms of intimidation, have been documented but not widely reported in the mainstream media. Dr. William Gray, a pioneer in hurricane forecasting and leading meteorologist, is among those who have been targeted for his views," Rep. Devin Nunes.

**B**y pioneering the science of seasonal hurricane forecasting and teaching 70 graduate students who now populate the National Hurricane Center and other research outposts, William Gray turned a city far from the stormy seas into a hurricane research mecca.

But now the institution in Fort Collins,

Colo., where he has worked for nearly half a century, has told Gray it may end its support of his seasonal forecasting. As he enters his 25th year of predicting hurricane season activity, Colorado State University officials say handling media inquiries related to Gray's forecasting requires too much time and detracts from efforts to promote other professors' work.

But Gray, a highly visible and sometimes acerbic skeptic of climate change, says that's a "flimsy excuse" for the real motivation - a desire to push him aside because of his global warming criticism.

Among other comments, Gray has said global warming scientists are "brainwashing our children."

Now an emeritus professor, Gray declined to comment on the university's possible termination of promotional support.

But a memo he wrote last year, after CSU officials informed him that media relations would no longer promote his forecasts after 2008, reveals his views:

"This is obviously a flimsy excuse and seems to me to be a cover for the Department's capitulation to the desires of some (in their own interest) who want to reign (sic) in my global warming and global warming-hurricane criticisms," Gray wrote to Dick Johnson, head of CSU's Department of Atmospheric Sciences, and others.

The university may have moderated its stance since last year. Officials said late last week that they intend to support the release of Gray's forecasts as long as they continue to be co-authored by Phil Klotzbach, a former student of Gray's who earned his doctorate last summer, and as long as Klotzbach remains at CSU.

When Klotzbach leaves, he will either produce the seasonal forecasts at his new position, or end them altogether.

Not only does this internal dispute reveal a bit of acrimony at the end of Gray's long career at CSU; it highlights the politically charged atmosphere that surrounds global warming in the United States.

"Bill Gray has come under a lot of fire for his views," said Channel 11 meteorologist Neil Frank, a former director of the National Hurricane Center and a friend

of Gray's. "If, indeed, this is happening, it would be really sad that Colorado State is trying to rein in Bill Gray."

CSU officials insist that is not the case.

The dean of the College of Engineering, which oversees atmospheric sciences, said she spoke with Gray about terminating media support for his forecasts solely because of the strain it placed on the college's sole media staffer.

"It really has nothing to do with his stand on global warming," said the dean, Sandra Woods. "He's a great faculty member. He's an institution at CSU."

According to Woods, Gray's forecasts require about 10 percent of the time a media support staff member, Emily Wilmsen, has available for the College of Engineering and its 104 faculty members.

A professor of public relations at Boston University, Donald Wright, questioned why the university would want to pull back its support for Gray now, after he has published his forecasts for a quarter-century.

"It's seems peculiar that this is happening now," Wright said. "Given the national reputation that these reports have, you would think the university would want to continue to promote these forecasts."

Gray, he said, seems to deliver a lot of publicity bang for the buck. The seasonal forecasts are printed in newspapers around the country and splashed across the World Wide Web.

There also seems to be little question that prominent climate scientists have complained to CSU about Gray's vocal skepticism. The head of CSU's Department of Atmospheric Sciences, Dick Johnson, said he has received many comments during recent years about Gray — some supportive, and some not.

The complaints have come as Gray became increasingly involved in the global warming debate. His comments toward adversaries often are biting and adversarial. In 2005, when Georgia Tech scientist Peter Webster co-authored a paper suggesting global warming had caused a spike in major hurricanes, Gray labeled him and others "medicine men" who were misleading the public.

Webster, in an e-mail from Bangladesh, where is working on a flood prediction project, acknowledged that he complained to Johnson at CSU.

"My only conversation with Dick Johnson, which followed a rather nasty series of jabs from Gray, suggested that Bill should be persuaded to lay off the personal and stay scientific," Webster wrote.

Gray also has been highly critical of a former student, Greg Holland, who is among the most visible U.S. scientists arguing about the dangers posed by global warming.

Gray's comments about Holland include referring to him as a member of a "Gang of Five" that is interested in using scare tactics to increase research funding.

The comment was a reference to the Gang of Four, which terrorized China in the 1960s and '70s while purging the Communist Party of moderates and intellectuals.

"I have registered concern in several quarters, including CSU, on the manner in which he has moved away from scientific debate and into personal attacks on the integrity and motives of myself and my colleagues," Holland said.

Although he ceded lead authorship of the forecasts to Klotzbach in 2006, Gray has remained the headliner in storm prognostication. He annually is among the most popular draws at the National Hurricane Conference.

In recent years, as he has increasingly made sharp public comments about global warming, Gray quickly became one of the most prominent skeptics because of his long background in atmospheric sciences. His views on the climate — he says Earth is warming naturally and soon will begin cooling — have been applauded by some scientists, particularly meteorologists such as Frank. But they are out of step with mainstream climate science.

The most recent report by an international group of climate scientists, the Intergovernmental Panel of Climate Change, concluded that there was 90 percent certainty that human activity had caused recent warming of the planet.

Yet at U.S. universities, threats to the rights of scientists who hold minority viewpoints are generally frowned upon.

A prominent legal scholar, Stanley Fish of Florida International University, said university public relations offices should not pick and choose where resources go, based upon the content of a professor's work.

"If it can in any way be established that (Gray's) global warming views were the basis of this action, then it is an improper action," Fish said.

In his memo, Gray clearly indicates that he believes his academic freedom is imperiled:

"For the good of all of us in the Department, the College and at CSU, please believe me when I say this is not a direction any of you want to go," he wrote. "Our department and college are strong enough to be able to tolerate a dissenting voice on the global warming question."

Woods, Gray's dean, insisted that dissent on global warming is welcomed at CSU.

"He's not the only faculty member in the world who questions global warming," Woods said. "When Bill talks about some of the data, he can make some very good points."



### California's energy colonialism

by Max Schulz Reprinted from the Wall Street Journal, May 3, 2008

"California has driven energy production out of the state, failed to invest in new infrastructure, and adopted mandates that have artificially raised the price of electricity. The state is an excellent case study of how the United States could become dependent on foreign energy imports and why consumers are forced to pay high rates," Rep. Devin Nunes.

 $oldsymbol{W}$ hen you look at the globe, California is a little spot on that globe," Gov. Arnold Schwarzenegger said recently at Yale University's Climate Change Conference. "But when it comes to our power of influence, it is the equivalent of a whole continent."

Perhaps. As an exercise of this influence, Mr. Schwarzenegger has attempted to push climate-change policy forward, signing the Global Warming Solutions Act. It commits the state to reducing greenhousegas emissions to 1990 levels - roughly 25% below today's - and all but eliminating them by 2050.

"California has the ideas of Athens and the power of Sparta," he said in his state of the state address last year. "Not only can we lead California into the future; we can show the nation and the world how to get there."

His words are in keeping with the state's self-perception. [Government officials], business titans, academics and environmental activists proudly point to four decades of environmentally conscious public policy - while maintaining a dynamic economy, arguably the eighth-largest on the planet, with a gross state product of more than \$1.6 trillion.

In truth, the state's energy leadership is a mirage. Decades of environmental policies have made it heavily dependent on other states for power; generated crippling costs; and left the state vulnerable to periodic electricity shortages. Its economic growth has occurred not because of, but despite, those policies.

Since the early 1970s, California has instituted new efficiency standards for appliances and the construction of new buildings. It mandated aggressive conservation programs and required a certain percentage of the state's electricity to come from renewable sources like wind and solar, which it has subsidized. It implemented far-reaching regulations on emissions from car tailpipes and from stationary sources like factories. And it has moved to shut down the state's nuclear facilities.

For a time, it worked. Since the mid-1970s, California's economy has grown while percapita energy consumption stayed flat an astounding fact, considering that such consumption has increased by roughly 50% elsewhere in the country over the same period.

But consider the story of the Rancho Seco Nuclear Generating Station. Opened in 1975, it was capable of generating over 900 megawatts (MW) of electricity, enough to power upward of 900,000 homes. Fourteen years after powering up, the nuclear reactor shut down, thanks to fierce antinuclear opposition. Eventually, the facility was converted to solar power, and today generates a measly four MW of electricity. After millions of dollars in subsidies and other support, the entire state has less than 250 MW of solar capacity.

Rancho Seco helps explain California's energy crisis in 2000 and 2001, when numerous rolling blackouts and power outages caused billions of dollars in damages. The degree to which rapacious power-company executives and traders were responsible for the shortages remains open to debate. Not open to debate is that California had insufficient power to meet demand, with a frayed and overloaded infrastructure for moving electrons.

California's flat per-capita energy consumption has not saved it from blackouts, either, since its population had been soaring. From 1979 to 1999, the number of residents jumped from about 23 million people to 33 million. Today, the figure is closer to 38 million, and it could top 45 million by 2020.

The blunt secret is this: California now imports lots of energy from neighboring states to make up for having too few power plants. Up to 20% of the state's power comes from coal-burning plants in Nevada, New Mexico, Utah, Colorado and Montana. Another significant portion comes from large-scale hydropower in Oregon, Washington State and the Hoover Dam near Las Vegas.

"California practices a sort of energy colonialism," says James Lucier of Capital Alpha Partners, a Washington, D.C.-area investment group. "They leave those states to deal with the resulting pollution."

California's proud claim to have kept per-capita energy consumption flat while growing its economy is less impressive than it seems. The state has some of the highest energy prices in the country – nearly twice the national average – largely because of regulations and government mandates to use expensive renewable sources of power. As a result, heavy manufacturing and other energyintensive industries have been fleeing the Golden State in droves.

The unreliable power grid is starting to rattle some Silicon Valley heavyweights. Intel CEO Craig Barrett, for instance,

vowed in 2001 not to build a chip-making facility in California until power supplies became more reliable. This October, Intel opened a \$3 billion factory near Phoenix for mass production of its new 45-nanometer microprocessors. Google has chosen to build the massive server farms that will fuel its expansion anywhere but in California.

And yet, despite a desperate need for more power, opposition to energy projects remains prevalent. State law prohibits the construction of new nuclear plants, and legislative efforts last summer to repeal it went nowhere. Last spring state regulators vetoed a proposal to build a liquefied natural gas terminal 14 miles off the Malibu coast.

Even renewable-energy projects meet resistance. Texas, of all places, is the nation's leader in wind-power generation. High costs, excessive regulation and environmentalist litigation have hampered California's efforts. Texas has just built lots of turbines.

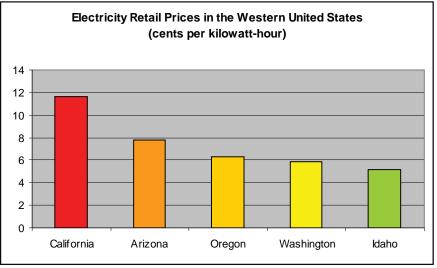
None of this has stopped leaders from setting wildly unrealistic goals for

safeguarding the environment, from electric cars to wind-energy production. The latest goal is to drastically reduce greenhouse-gas emissions.

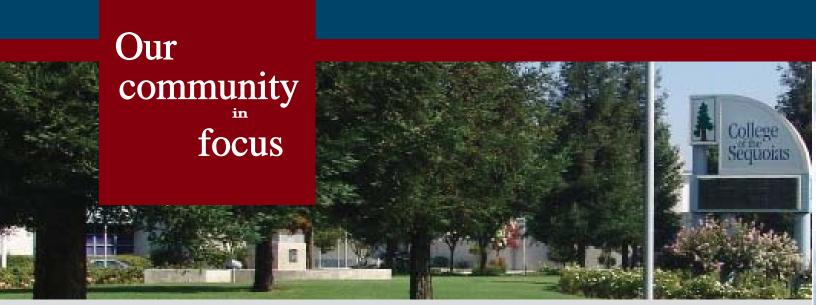
The details of how the Global Warming Solutions Act is actually implemented don't have to be revealed until next January. Even the California Energy Commission hints that the targets might be unreachable. But they'll certainly cost a lot to find out. Analysis from the Electric Power Research Institute pegs the Act's cost to the California economy at anywhere from \$100 billion to \$511 billion.

Californians may feel good about their environmental consciousness. But someone needs to build power plants and oil refineries to fuel their economy. Someone needs to manufacture the cars they drive, the airplanes they fly, the chemicals and resins and paints and plastics that make their lives comfortable.

Those things require energy, and lots of it. All the wisdom of Athens and all the power of Sparta won't change that fact.



U.S. Energy Information Administration



### **College Direct**

COS - Exeter Union High School partnership offers early college credit to high school students

"In many communities, high school students are getting a jump-start on their University education or career training by participating in programs like College Direct. I support and applaud COS and Exeter Union for their collaboration on this important program. This collaboration is a model for education in the United States," Rep. Devin Nunes.

**C**ongressman Devin Nunes is working closely with leaders from College of the Sequoias (COS) and Exeter Union High School on a program that will allow students to complete a full year of college classes - right in Exeter - free of charge before they graduate from high school.

"Education is very important to me. As a former board trustee for the College of the Sequoias and now as a member of Congress, I have made it my goal to help as many students as possible further their education after high school," Nunes said. "Whether you plan to attend a four-year university or are looking to complete vocational training, community college is an affordable and effective way to achieve your goals."

The collaborative program between COS and Exeter is called College Direct. The College Direct program has a "just 3" mantra encouraging Exeter students to consider taking 3 college units, 3 semesters or 3 courses prior to completing their high school diplomas. The Exeter High School and surrounding community are behind the project with a goal of having 90% of their high school students having some college credit prior to graduating.

This partnership has allowed for seven classes this semester to be offered which include, agriculture mechanics, animal science, drafting, citrus production, basic metal craft welding and forging at the Sierra Forge and Fire facility. The courses are open to high school students as well as adults who are taking advantage of college courses being offered in their community.

An example of this programs' success can be seen with the creation of a citrus production class. An industry expert has been instructing the class and providing real-world experience to the classroom. Local residents and students are now in the position to have hands-on experience in a subject that is a vital part of the Valley economy.

With this new collaboration, many young students are able to start their college career, before finishing high school. In fact, over 100 students enrolled in COS courses at Exeter High School this past semester. It is the hope this program will expand to other schools, so ultimately higher education will become a tangible goal for all our graduating students.

To learn more about the College Direct Program, call COS at 559-737-6216 or Exeter Union High School at 559-745-4545.

You can learn more about COS online at: www.cos.edu

# Military Academy Night

If you are a student interested in pursuing a college education at a United States Service Academy, you are encouraged to attend Congressman Nunes' Academy Night, held in early October every year.

Academy Night is an opportunity for you and your parents to learn more about the nomination and appointment process. Liaisons representing the Air Force, Merchant Marine, Military and Naval Academies will be in attendance to answer questions and review the admissions procedure.

If you would like to participate or have questions, please call (559) 733-3861 and ask to speak with the Academy Night coordinator. Academy nomination information can be found in the Constituent Services section of Congressman Nunes' website- www.nunes.house.gov.



# The Washington

Are you interested in dialogue about important issues facing Congress today? Do you want to know where your Representative stands?

Congressman Nunes periodically produces a video edition of the Washington Report. The program is broadcast on local cable access channels, but is also made available online at www.nunes.house.gov.



# 2008 Art Competition



2nd Place Artwork: "Mother's Backyard" by Dominic Jennings from Hallmark Charter School



Ist Place Artwork: "Serenity" Congressman Nunes congratulates first place art winner James Torres of Hallmark Charter School



3rd Place Artwork: "Self Portrait—Age 4" by Blanche Larrazabal from Clovis East

Congressman Nunes would like to thank the following High Schools for making the 2008 Congressional Art Competition a success:

Buchanan High School, Clovis East High School, Clovis High School, El Diamante High School, Hallmark Charter School, Monache High School, Riverdale High School, Tulare Union High School, Tulare Western High School, Woodlake Union High School

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Devin Nunes M.C.

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