## The White House & Tar Sands

Remarks in front of the White House on 29 August 2011.

Notes intended for use in Lafayette Park but not used; they summarize Press Club briefing.

Powerpoints used at National Press Club on 29 August 2011.

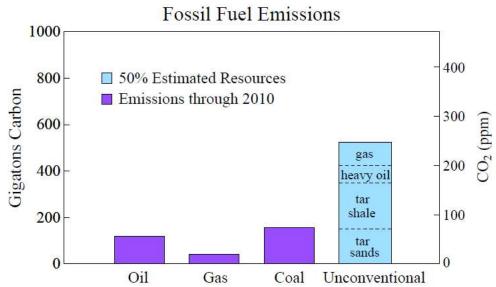


Figure 1. Total conventional fossil fuel emissions (purple) and 50% of unconventional resources (blue)

Figure 1 helps make clear why the tar sands and other unconventional fossil fuels are important. The purple bars show the total emissions to date from the conventional fossil fuels (oil, gas, and coal). These past emissions, plus a smaller contribution from net deforestation, are the cause of the CO<sub>2</sub> increase from 280 to 391 ppm.

The blue bar is 50% of known unconventional fossil fuel (UFF) resources. Supporters of UFF development argue that only 15% of the tar sands resource is economically extractable, thus we may exaggerate their threat. On the contrary, Figure 1 is a conservative estimate of potential emissions from tar sands because: (1) the economically extractable amount grows with technology development and oil price, (2) the total tar sands resource is larger than the known resource, possibly much larger, (3) extraction of tar sands oil uses conventional oil and gas, which will show up as additions to the purple bars in Figure 1, (4) development of tar sands will destroy overlying forest and prairie ecology, emitting biospheric  $CO_2$  to the atmosphere.

We show in <u>"The Case for Young People"</u> that it is probably feasible to avoid dangerous climate tipping points, but only if conventional fossil fuel emissions are phased down rapidly and UFFs are left in the ground. If governments allow infrastructure for UFFs to be developed, either they don't "get it" or they simply do not care about the future of young people. (A cynic notes that the politicians are doing their job well – for their fossil fuel industry benefactors.)

George Bush confessed our addiction to oil. Taking tar sands oil amounts to borrowing a dirty needle from a neighbor addict. Fortunately, Congress adopted and Bush approved the Energy Independence and Security Act 2007, which was intended to prevent U.S. agencies from buying alternative fuels that generate more pollution in their life cycle than conventional fuel from customary petroleum sources. Tar sands oil not only exceeds conventional petroleum, the energy used in mining, processing, and transporting tar sands oil makes it slightly worse (in terms of CO<sub>2</sub> produced per unit energy) than coal. Who would drive a car powered by coal!?

This raises a question: if the Keystone XL pipeline is approved, can we make a citizen's arrest on Hillary Clinton and Barack Obama for violating the Security Act? If they were put in the back of a hot paddy wagon in DC and held for at least several hours with their hands tied behind their backs, maybe they would have a chance to think over this matter more clearly.

Let's address a common criticism: it does no good to stop the Keystone pipeline, because other pipelines will be built. Indeed, pipeline opposition and other stopgap actions (closing a coal-fired power plant, etc.) have little ultimate effect unless we put in place the real solution.

The solution is ... for simplicity, I repeat point 4 from Lafayette Park remarks:

- a. 'Law of gravity': as long as fossil fuels cheapest, someone will burn them
- b. Cheapest because: (1) direct/indirect subsidies, (2) human health costs not paid by fossil fuel companies, (3) climate disruption costs not paid
- c. Only workable solution: rising across-the-board flat fee on carbon, collected from fossil companies at point where fossil fuel enters domestic market (domestic mine or port of entry)
  - d. Larson rate (\$10/ton CO<sub>2</sub>/year) at year 10 yields 30% reduction in U.S. emissions
  - e. 30% of U.S. emissions is ~ 13 Keystone XL pipelines!!!

By year 10 the Larson fee is equivalent to \$1/gallon of gasoline. The public will not allow this to happen unless 100% of the collected fee is distributed to the public, which could be done electronically to bank accounts or debit cards. By year 10 the fee collected from fossil fuel companies would be over \$500B per year, providing \$2-3,000 per legal adult resident of the country, thus \$6,000-9,000 per family with two or more children.

Jim Dipeso, Policy Director of Republicans for the Environment, endorses this approach (see powerpoint chart 36), saying that it "makes use of market principles, by prodding the market to tell the truth about the costs of carbon-based energy through prices. It would not impose mandates on consumers or businesses, create new government agencies, or add a penny to Uncle Sam's coffers."

Further: "Businesses would seek out more opportunities to improve their energy efficiency. Other businesses would sell products and services that enable them to do so. Low-carbon energy sources would be more competitive with high-carbon sources."

Finally: "Transparent. Market-based. Does not enlarge government. Leaves energy decisions to individual choices. Takes a better-safe-than-sorry approach to throttling back oil dependence and keeping heat-trapping gases out of the atmosphere. Sounds like a conservative climate plan."

How could this be achieved, given our well-oiled coal-fired Congress? Not easily. Obama had the chance when he was elected. He would have needed to explain to the public that national security, energy security and climate security all yield the same requirement: an honest price on carbon emissions that provides market-based incentives for moving to clean energies.

Obama lost his chance for a spot on Mount Rushmore by not addressing the moral issue of the century. He would have needed Teddy Roosevelt's drive and Franklin Roosevelt's ability to speak to the public. A second chance if re-elected? It would be much harder, even if characters like Inhofe are smoked out by then. And it cannot be done with a sleight-of-hand approach, pretending there will be little impact on fossil fuel prices as in the proposed cap-and-trade, or with government picking winners as in the would-be "green jobs" program.

The energy/climate matter will be addressed eventually. But will it be in time and which country will lead? There is an incentive to be the first to put an honest price on carbon: future global technologic and economic leadership. Europe squandered its resources on government-specified inefficient technologies. If the United States continues on its current path, and if China seizes the opportunity to be the leader by putting an honest price on carbon, it will probably mean second rate economic status for the United States for most of this century.