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Our energy sky is not falling

By J Dwight , *Populist Economics*
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Current "balance" in the world oil market favors high costs. Policies that have restricted clean technologies, carbon emissions and better methods of oil recovery are now preventing lower prices.

Americans have the ability to change the supply and demand balance. We just need the freedom to do so.

But what is the next "sky is falling" excuse "Chicken Littles" of the environmental lobby will use to stall and stifle the development of alternative energy sources?

I do not know, but I'm sick of hearing them. Environmentalists have used fear, guilt, and anger to gain political power, which has prevented important, necessary and timely energy projects during the past 30 years.

Now we're reaping the harvest of action manipulated by emotion: higher costs. A broader vision is required to solve the people's need to communicate and live.

How does America meet growing energy demand, in an environmentally acceptable manner, with secure sources, at the lowest cost, and in a timely fashion? Which technologies offer a strong foundation and strong advantages, and can continue to improve life? These are the questions we should ask.

Instead, we wonder, "Is the world coming to an end because of carbon dioxide?" The answer is no.

Catastrophic global warming predictions are based on climate modeling, but empirical evidence - measurements of the Earth's temperature and climate - shows no manmade warming trend. While carbon dioxide levels have increased - primarily because of solar activity - the environmental effect has been benign.

Or we ask, "Are we running out of oil?" Again, no.

Proven world oil reserves total 1.3 trillion barrels. The U.S. Geological Survey estimates the world's remaining conventional resources are 2.6 trillion barrels. Canadian tar sands boost this estimate to 3.3 trillion. Other estimates even put it double that level.

Yet the environmental lobby has helped place 85 percent of America's proven oil reserves off-limits, amounting to almost one trillion barrels of oil, enough to power the country for more than 100 years without importing a drop.

In Maine, Chicken Littles have thwarted windpower developments, liquefied natural gas projects, hydropower proposals and coal gasification efforts. Reducing the supply of energy sources seems to be their purpose in life. Their political clout increases our costs.

How often have the Chicken Littles been right calling for the "end of the world" in the last forty years? Zero.

How often have risk-takers brought technologies, engineers and businessmen together, and been able to address problems and move solutions to the marketplace despite bureaucratic hurdles? Too numerous to count.

The problem of growing demand for energy and cost can be solved in many ways. Each has four characteristics:

• A strong foundation in technology.

• Technological advantage over alternatives.

• They are profitable.

• They are from multiple sources.

These problems offer the problem-solver an incentive of creating wealth. They can stimulate enormous interest, attract capital to the sector and lure talented people to bring solutions to the market.

It's happening now. Several new technology companies have been formed and funded for solar, coal gasification, geothermal electricity and wind power. Hydropower and nuclear power are exhibiting improved environmental awareness and engineering. These hold great promise to bring non-oil energy sources into clean cost-effective use.

Talented engineers and businesspeople enter the field, new companies form, and change occurs. This is exactly what must be done. Problems. New ideas. New investments. New companies. Solutions.

This process offers hope of reliable energy sources at reasonable cost.

Only, however, if we stop listening to those who insist the sky is falling.

Response to Rep. Marley:

After my column of May 28, Rep. Boyd Marley, D-Portland, the House Chair of the Legislature's Transportation Committee, engaged in a time honored Democratic tactic of "shooting the messenger." I found it ironic a politician criticized a non-politician for being political. But his response (June 1) failed to add anything of substance. So I will.

Marley wrote, "While [Dwight] notes that Maine's gas tax is higher, he fails to mention that Maine has twice the miles of roads as New Hampshire and yet gets the same level of federal funding based on an antiquated federal formula....The difference in federal dollars per mile of road between Maine and New Hampshire equals the difference in the states' gas tax, in effect negating the difference."

Determining federal funding for highways comes from a state's total vehicle miles (which factors linear miles of road, lane miles of road, traffic patterns and usage), the gasoline tax collected by each state and sent to the Federal Highway Administration and old-fashioned (but unquantifiable) political clout.

According to the FHA, Maine has 12,273 vehicle miles, and New Hampshire has 11,835.

In 2006, Maine received more than $202 million in FHA funds, while New Hampshire received $184 million. In fact, Maine has gotten more than New Hampshire from the FHA the last five years, a total of more than $59 million.

It was incorrect for Marley to insinuate Maine suffers against New Hampshire for federal dollars, and claim this accounts for why Maine must charge a higher gas tax.

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