

The Scouting Report - Build Energy Security
Live Web Chat with *Politico* Senior Editor Fred Barbash and Brookings Managing Director William Antholis
November 12, 2008

12:27 Fred Barbash:

Hello everyone and welcome to the 2nd edition of the Scouting Report, a live web chat produced by The Brookings Institution and Politico as part of Brookings Presidential Transition Project. I'm Fred Barbash, Politico Senior Editor, and I'll be moderating today's chat. On hand to answer your questions is Brookings Managing Director William Antholis. William is an expert on climate change and is here today to talk about aspects of the Presidential Transition related to climate change and energy security. Let's get started.

I'd like to kick things off with a question we received via email this morning.

How will governing institutions need to change, both in the White House and Congress, to better address energy security challenges?

12:29 William Antholis: First, I think that the Obama team will move ahead and create a new National Energy Security Council, to work alongside the NSC and NEC. Then, you will see internal reorganization within the Department of Energy and other key cabinet agencies, to raise the priority of green energy, energy efficiency, and, of course, addressing climate change. Within EPA, climate change will likely become the single most important subject for the agency. In Congress, there are currently four or five subcommittees related to energy. These could rise to full committees of their own standing. There will probably be a committee shuffle in Congress.

12:30 Fred Barbash: William: This alone sounds like about four years of work, creating new structures, reorganizations, especially. How quickly could this realistically proceed? Don't you worry it could become bogged down in internal conflicts?

12:32 William Antholis: Exactly right. If you're in a leadership position, you have to take this in waves. In the first year, the White House effort can proceed pretty quickly, with a core staff of about seven or eight people. In the agencies, the top leadership will pull together working groups quite quickly. But after the first year, people will start to identify the boxes that need to be redrawn -- many of which will require legislation.

12:33 [Comment From Jason]

I think that every presidential administration since Carter's has promised to achieve energy independence. Obviously, none has succeeded. Is energy independence a reasonable goal? Or is it all just talk?

12:34 William Antholis: The real question is how do you define "independence". It is not realistic to be independent from foreign oil. Our oil markets will always be integrated into global economic ones. The question is whether we can make our transportation fleet less dependent on oil. Right now about 90% of our cars run on oil, as do most trains, planes and buses. Shifting those vehicles to other fuel sources should be the goal.

12:35 [Comment From Joseph (Washington, DC)]

In light of the economic downturn, is their political will to implement an economy-wide cap-and-trade program to reduce carbon and other greenhouse gas emissions? Can Obama keep that campaign promise?

12:37 William Antholis:

If the the time-table for an economy wide cap-and-trade system is far enough into the future, anything is possible! In all seriousness, the key is to keep the focus on the long-term goal of reducing emissions, and to send a signal to companies that are investing in power-plants or that are building automobiles that they have to adjust their next generation of products to meet the new cap. The shorter and middle term targets are important, too. But the long-term is critical.

12:38 [Comment From Jessica]

What sort of leadership do we need to see in the Congress to get these items (green energy, climate change, energy efficiency) addressed, and how can Congress work most effectively with the new administration?

12:42 William Antholis: Model leadership -- in the White House and in Congress -- will involve developing a solution that is long-term. It needs to keep us focused on the long-term challenge, and not let small issues derail the big question of how to shift to more reliable and less carbon intensive energy sources. There will be considerable efforts to focus on one solution or another, and not to keep the big picture in mind.

In terms of working with the new administration, it is hard to underestimate the importance of confirming appointees as expeditiously as possible. There is a lot of talent out there, but the challenges are huge and the new Administration will need to assemble its team quickly and with as little hold up as possible.

12:42 [Comment From Sally]

What can an ordinary citizen do to help?

12:43 [Poll for Readers]

Do you think the Obama administration will do enough to improve our nation's energy security and prevent climate change?

Yes (67%)

No (33%)

12:44 William Antholis:

Perhaps the most moving experience I've had on this issue is when my six year old daughter yelled at me one very hot humid morning this summer for turning the air conditioning in the car. "Daddy, you're hurting the environment!" I tried to explain that I gave at the office, but that wasn't good enough.

This all happened in our mini-van, as opposed to our Prius. So, perhaps, continue to push the envelope with retailers to give you more energy efficient products. Ask your car dealer why they sell hybrid sedans, but not hybrid mini-vans.

12:45 Fred Barbash: And a question to our readers, what steps have you taken to reduce your carbon footprint?

12:45 [Comment From Kate]

In terms of reducing emissions, the issue of "clean coal" came up in the debates, with Obama defending his alleged support of developing that technology. But isn't it a bit of an oxymoron? Shouldn't we be more invested in developing cleaner alternative energy sources than in trying to "clean up" a dirty natural resource? And finally, is Obama really going to get behind it?

12:47 [Comment From Jason]

I think the easiest thing for people to do is get energy efficient light bulbs. They're not too expensive and they last a really long time.

12:48 William Antholis: It's a great question, but I don't think that it lends itself to an either-or answer. There is a substantive and political reason behind then-Senator Obama's support for clean coal. The substantive one is that coal provides 50% of our electric power, and even more than that in big developing country. If we place all our eggs in the basket of finding new technologies and they don't become commercially viable in time, we're all cooked -- literally and figuratively. Moreover, there are a whole lot of workers in coal producing states who need transition time. And those states have a lot of votes in Congress and in the electoral map.

12:49 [Comment From Liz]

What is the likelihood of a federal RPS (renewable portfolio standard) being put back on the table (using climate change as one driver), and what needs to happen to make it a reality?

12:49 Fred Barbash: We received another response to our question to readers...

12:49 [Comment From Miriam, Salt Lake City]

i try to reduce my carbon footprint by buying bulk - fewer trips to the store in my car, and less packaging.

12:50 [Poll for Readers]

What alternative energy source do you think has the most potential?

Wind (50%)

Solar (13%)

Biofuels (6%)

Nuclear (31%)

12:51 [Comment From Jeff]

I try to reduce my footprint by living a more urban lifestyle. Public transportation, car-share only as needed, walk to the grocery store, etc. Living locally reduces your impact.

12:52 William Antholis: This is a great question, both from a practical stand point and one of democratic theory. The easy answer is "one size fits all." That's not always the case, though. Some states -- those with lots of sun or wind or both -- may have an easier time getting renewables into the mix than others. Plus, we have a national energy grid that functions differently in different parts of the country. In some places, it is easy for renewable companies to sell their power back to the grid. In others, it is difficult.

So from a democratic theory standpoint, we want the states to be laboratories of democracy and also close to where the power is (literally and figuratively). On the other

hand, we want a system that stimulates renewables in general, and also makes it uniformly easy for renewable start-up companies to sell their power to consumers.

12:53 [Comment From Geoff Berlin (Kiev)]

From where I sit, here in Kiev, Ukraine, I can tell you that new project development under the Kyoto Protocol is nearly at a standstill due to a lack of clarity on a post-2012 framework. The "Bali Roadmap" calls for an agreement among some 180 nations (including the US) in Copenhagen in 2009. Success in Copenhagen will require the US to step off the sidelines and lead – and this leadership must be exercised now. Do you expect the Obama administration to "get of the blocks" fast on this and assert US leadership on the international stage, given the myriad of policy issues that must be addressed?

12:56 William Antholis: Having survived sleepless nights in Kyoto over a decade ago, I really hope so!!

I think there are important differences that should lead us to be cautiously optimistic. First, the most important thing the Obama team can do is to move forward on domestic legislation. Second, they need to frame the international negotiation around a long-term target. In my view (as I've written elsewhere) it is more important to get a core group of countries to agree to an ambitious long-term target and emissions trading structure than it is to come to a definitive answer on what the next short-term (2013-2016) implementation period is.

12:57 [Comment From BRENDAN]

Aside from past, current, and potential efforts to address climate change and achieve energy independence, are there states and/or regions of the country that are leading the way and setting a good example?

1:00 William Antholis: Certainly, California is in the lead. Identifying a long-term target, and starting to design a cap-and-trade system to meet it, is a huge step.

I'm also really struck by how low-carbon Las Vegas is as a city.... not just because I like to visit from time to time. It's a combination of reliance on hydro and nuclear power. But also, it is one of the most densely developed cities, and increasingly the "Strip" is starting to build laterally off the main road and create a new-urban structure. Eventually, I predict you'll see real mass transit there.

1:01 [Comment From BRENDAN]

Thanks for that answer. As a follow-up, what can state governments who do not have the natural resources in wind and solar do to contribute to addressing climate change and energy independence?

1:02 Fred Barbash: Speaking of states and local entities, a question to our readers--do you feel there are enough public transportation options in your area?

1:03 William Antholis:

Think about transportation, first and foremost. The HOV lanes in Northern Virginia allow hybrid cars. They're now packed with Prius's and Civic hybrids -- -and that's a good

thing! Also, mass transit is critical. Dedicated bus lanes are really effective, and have proved so around the world.

1:04 [Comment From Matt]

If the government follows through on bailing out the Detroit automakers, what do you think the chances are of there being strings attached - requiring them to produce fuel efficient cars?

1:04 Fred Barbash: William: For years, the U.S. government has applied pressure to recipients of federal funding in a variety of areas, ranging from civil rights to aiding handicapped people to highway safety. Are there areas where the Feds could attach similar "strings" and effect massive change very quickly in the way Federal contractors, cities and states deal with energy?

1:05 William Antholis: I think that the chances are quite high. That's actually a great thing for General Motors, which is making a big bet on an electric car.

1:05 Fred Barbash: also, we received an answer to our reader question...

1:05 [Comment From Jessica]

As a recent DC import, I'm thrilled that I can either walk to almost any part of the city or hop on the bus or metro. Options in my West coast hometowns - Seattle and Los Angeles - are completely hopeless and inefficient. Hopefully the new California bullet train will make an impact at least for longer trips.

1:07 William Antholis: To answer Fred Barbash's good question -- yes! Federal highway funds, for instance, could be tied to "fix it first" -- the principle that you fix roads that tend to be in center cities and cause congestion before building new roads that extend a city's footprint further outside the core. Another way to do it would be to fund all kinds of infrastructure in way that prioritizes public transportation and/or walkability.

1:08 [Comment From Liz]

How should we engage China in the coming years in regards to climate change?

1:09 [Poll for Readers]

Would you ever consider purchasing a hybrid car?

Yes (87%)

No (13%)

1:11 William Antholis: I think we start by acknowledging the lack of understanding between our two countries on the issue. We see Olympic athletes wearing smog-masks, and focus on the new coal-fired power plant that goes up every week in China. We tend to ignore the investments in mass transit and the car efficiency standards that are already beyond what we do here.

Over the longer term, I think we have to keep working with the Chinese to show them that clean energy investments are in their national interest -- that lower air pollution will have public health benefits, that slower climate change will put less pressure on their limited water resources, and that by taking a leadership role, they will be demonstrating that they are a responsible stakeholder in the world community.

1:11 [Comment From Joanna]

What do you make of the growing popularity of carbon offsets among individual consumers (TerraPass, etc)? Is there concern that this discourages people from actually making lifestyle changes, or is it a good conscientious step in the right direction?

1:11 Fred Barbash: Another answer to our reader question about public transportation...

1:12 [Comment From Sally]

I live in Maryland and the buses are pretty good. But we should have light rail!

1:13 William Antholis: My own view is that these are baby steps. Remember back at the start of the computer age, when the only video game was "Pong" -- that one with the two horizontal white bars and the little white dot that moved back and forth? That's about the state of carbon tracking that we're currently at. I feel the same way about my Prius -- it's a small step at the beginning of a much bigger revolution.

1:14 [Comment From Ben]

The ethanol lobby has lots of sway, but the benefit is still debatable (does it take more energy to produce ethanol than it is worth?). How do you see Obama approaching ethanol as part of his energy plan?

1:15 William Antholis:

I don't want to predict how the Obama team will tackle this. But I would say that the smart way to approach corn ethanol is as a bridging technology to other kinds of biofuels.

1:15 [Comment From Michael]

What do you see as the major obstacles for growing energy source like wind, solar and nuclear?

1:18 William Antholis:

Two obstacles to wind and solar: selling to the grid, and meeting expectations. On the former, unless you are a major producer, it's hard to get the energy back out to consumers. Yet there are millions of places to put solar and wind generators. On the latter, they're right now a fraction of our energy profile. If they were to increase fivefold, they'd still be a fraction of our energy profile.

On nuclear, the biggest obstacle is waste disposal. Nuclear waste can be stored safely at reactor sites. But what's uncertain is whether that will be the case for any and all new reactors. Will local communities allow it?

1:18 Fred Barbash: Historically, great change has come from entrepreneurial activity-- people using their brains and money and acquisitiveness to innovate: the Internet, the railroads, the canals, usually with some assistance from the government. How can the U.S. really inject some energy into this vital part of the American economy with regard to energy conservation and alternative fuels?

1:23 [Poll for Readers]

Which country do you think would have the hardest time curbing its carbon emissions?

China (82%)

U.S. (18%)

India (0%)
Other (0%)

1:23 William Antholis: Fred -- you've put your finger on a hundred billion dollar question. The biggest thing that will drive consumer behavior is a price signal that will come from cap and trade legislation over time. But short of that there are two things that can be done.

Let me take alternatives first, because that's where a bulk of the answer lies. If every household in the country knew that it could sell excess energy back to the power grid -- and importantly if a number of companies that sell home-powerplant-kits to consumers knew that they could do this -- you could literally see millions of roofs become powerplants (particularly out west where the sunshine is abundant).

On efficiency, the bigger challenge is getting energy pricing right with power utilities. All of them negotiate prices with regulators, but not all of them are rewarded for lessening demand. So right now conservation really depends on six year olds yelling at their parents to turn off the air-conditioning (or us yelling at them to turn off their bedroom lights....)

1:23 [Comment From Frank]

I was at your event yesterday and heard someone talk about Iran. Is it a good idea to try to negotiate with oil producing countries around these issues?

1:24 Fred Barbash: Ok, folks, we've got time for about 2 more questions.

1:26 William Antholis: Yes -- and we already do so, but usually only in crisis moments. When the price of oil sky rockets, we talk to the Saudis, the Russians, the Norwegians, etc., about the supply and the price of oil. As much as we fear they will dramatically restrict supply, they fear we will dramatically cut demand. What's important, I think, is that we start talking to them about long-run price and supply curves. A long-term carbon target will help in that regard.

1:26 [Comment From Ramzi]

What is your take on expanding the US railway system to encourage the use of public transportation?

1:31 William Antholis: With the right set of expectations, we can certainly expand rail use, both in intercity travel and in mass-transit/communiting environments.

On inter-city travel, with the exception of the northeast corridor, our cities tend not to be close enough to one another to have had the same kind of "thick" network that Europe has. But that is changing. Look at Virginia and North Carolina, where President-elect Obama just took a bite out of "red America." The growing cities of Richmond, Charlotte, and the research triangle could be real targets for high-speed rail, connecting them north to Washington or south to Atlanta. It's worth contemplating now, before their suburbs become too dense and difficult to develop across.

Within cities, light-rail has real prospects -- particularly along strip-mall corridors that every city currently has. The key, however, will be federal funding -- shifting money

away from outter-burb highways and toward congested boulevards that need another transport option.

1:31 Fred Barbash: I think that's a great way to wrap our conversation today. We're about out of time.

1:31 Fred Barbash: I'd like to take a moment and thank everyone for their participation today. I think we covered some really important issues and we appreciate all your questions and responses. We'll be posting the transcript to this chat later today, so check back if you're interested. Next week we'll be hosting another live web chat at the same time and place, so be sure to send in your questions. You can email any questions or comments you may have to the Scouting Report Team at scoutingreport@brookings.edu. Thanks again!

1:32 William Antholis:

Thanks a lot, Fred. And thanks for all the reader questions.