

Want Green Jobs? Cut the Green Tape

By Karen Harbert: President and CEO of the Institute for 21st Century Energy, an affiliate of the U.S. Chamber of Commerce.

We hear a lot today about generating green jobs along with green power and fuel. But as Congress just passed a stimulus package with tens of billions of dollars in spending for clean energy and infrastructure projects, we have to ask ourselves what are the odds these projects will go forward when existing projects are being stymied.

The fact is, our energy sector suffers from a lengthy, unpredictable, and needlessly complex regulatory maze that delays, if not halts entirely, construction of new energy infrastructure. Federal and state environmental statutes-such as the National Environmental Policy Act, state siting and permitting regulations, and a "build absolutely nothing anywhere near anything" mentality routinely are used to block construction and expansion of everything from transmission lines to power plants-and the economic activity and high-paying jobs that go with them.

And just because a project is "green" does not mean it fares any better. Indeed, it has become too easy for energy projects of any hue to be wrapped up in "green tape." For instance, renewable energy projects and related infrastructure have recently been snagged, sued, or blocked in Idaho, New Hampshire, Kansas, New York, California, Maine, Pennsylvania, Texas, Massachusetts-home of the by-now infamous Cape Wind project-Virginia, and other states over environmental concerns. Moreover, the American Wind Energy Association reports that the review processes at many federal agencies are making it difficult to accommodate the growth of wind energy on federal lands.

Even if renewable projects can be permitted and built, many investors are still wary of these projects because it is so difficult to site the transmission lines needed to bring the electricity to consumers. Where these cross state lines, multiple jurisdictions become involved. One power company spent 13 years getting federal and state permits for a 90-mile interstate power line that took less than three years to build.

The stimulus legislation commits \$11 billion to initiate the build out of a "smart grid" to support the expected growth of renewable power generation like wind, solar, and geothermal. But this money is largely unnecessary and does not address the actual obstacles to building new transmission lines...the siting process.

Under the Natural Gas Act, the Federal Energy Regulatory Commission has the authority, including eminent domain, to work with the states to site natural gas pipelines. Extending this authority to electricity transmission and other interstate energy infrastructure would simplify a time-consuming process and represent a huge step towards greater energy security.

Reforming NEPA is another way to get infrastructure projects moving ahead quickly. This Act is used by many groups to bring a swift halt to projects they oppose. Excluding actions that do not have a significant impact on the environment and setting strict time limits for final decisions could lessen the opportunities for abuse and avoid indefinite project delays.

Also looming over the nation's economic woes is the expectation that the Environmental Protection Agency will move ahead with regulating carbon dioxide emissions under the Clean Air Act, a law neither designed for nor suited to the task. EPA proposes that it can use its newly-discovered authorities under the Act to regulate carbon dioxide emissions from cars, trucks, planes, trains, boats, office buildings, refineries, pipelines, boilers, landfills, manufacturing plants, tractors, lawnmowers, motorcycles, schools, hospitals, breweries, bakeries, farms, and countless other sources large and small.

These sweeping new rules would have a chilling-indeed, freezing-effect on economic activity and derail many of the energy and other infrastructure projects the stimulus bill was crafted to facilitate, dealing a devastating blow to the U.S. economy at exactly the wrong time. A recent Heritage Foundation analysis found that a regulatory program of the magnitude contemplated by EPA would raise energy prices, cost an

average \$339 billion each year through 2029, and wipe out up to three million manufacturing jobs. We need a stimulus for businesses and workers, not activists and lawyers.

Enactment of the economic recovery package represents a lost opportunity for making regulatory changes to significantly eliminate green tape. As Congress turns its attention to broad-based energy legislation, it has another opportunity to lift this cloud of regulatory uncertainty by denying EPA the authority to regulate carbon dioxide under the Act. We deserve an open debate on a sensible approach to addressing carbon dioxide emissions, not an opaque back door scheme.

History has shown that economic growth is a prerequisite for, not a result of, environmental stewardship. If we are serious about stimulating the economy, diversifying America's energy supply, and creating green jobs, then we need to cut some of the red tape-and the green tape, too-that unnecessarily delays energy projects.