

## **Time is Now for National Energy Policy**

*By Alex Mills*

As the U.S. Congress wrestles with the “dos” and don’ts” of a national energy policy, they should be asking themselves what goals do they want to achieve. For instance, should the national energy policy include:

- Safe and reliable energy sources for electricity and transportation.
- Energy should be affordable for all Americans.
- Energy use must be safe for the environment.
- National security must be considered in a national energy policy.
- Impact on the economy from energy supply abundance and price.
- How feasible is each energy source in providing the energy needed?

Books have been written and volumes of pages of debate have taken place over these issues in the last three decades, but several key elements of a national energy policy keep rising to the top.

Obviously, America’s dependence on foreign oil has reached a critical stage: \$2 billion every day is sent to other countries to buy crude oil. That’s \$700 billion per year, and four times the amount that we are spending on the Iraqi war. The nation must reduce its exposure to foreign countries for not only economic issues, but also for national security issues. Some of those exporting countries do not like the U.S. very much and they have used – or threatened to use – the “oil weapon” against U.S. for political reasons.

How do we reduce foreign oil imports? We must produce every barrel of oil, every mcf of natural gas, every kilowatt of electricity possible as close to home as possible. That includes drilling on federal leases onshore and offshore, in Alaska, off the east and west coasts of U.S. It also includes coal, wind, solar and other energy sources that are made at home. There is not one single answer. The answer lies in developing multiple sources of domestic energy.

Some readers of this column have asked about the feasibility of T. Boone Pickens plan. It has merit. He believes that natural gas should be used as a transportation fuel, replacing imported crude oil that is made into gasoline and diesel fuels. He also wants to use wind as an electric generating fuel, replacing the natural gas that is replacing crude oil. The plan achieves the goal of backing out foreign oil with domestic energy, and it would be beneficial to the U.S. economy and environment.

Wind energy has made a lot of progress, but it has some very basic problems that include transportation and delivery issues. Unfortunately, the wind doesn’t blow all the time even in the Panhandle of Texas. So, there must be some way of either storing the energy it creates when the wind blows or there must be an energy source that can be used when the wind turbines aren’t turning.

Coal and natural gas currently supply about 75% of our electricity. Wind, about 1%.

Another issue for the wind industry is the wind blows in the Midwest, which is hundreds and hundreds of miles from it largest potential customers. As wind generated electricity is transported through distribution lines it loses some power. The longer the lines the more power lost.

Opponents of drilling offshore raise the environmental issue. Actually, more oil is spilled from tankers bringing imported oil into the U.S. than is spilled from oil production and drilling platforms. According to the Minerals Management Service and the U.S. Coast Guard, 45% of oil spilled comes from ships and only 3% comes from drilling rigs and platforms. Additionally, the MMS noted that during hurricanes Katrina and Rita, which destroyed hundreds of offshore platforms in the Gulf of Mexico, there were no major oil spills.

The last major oil spill in the U.S. was off the coast of Santa Barbara, California in 1969.

Improvements in technology have made drilling and production much safer for people and the environment.

The bottom line is U.S. energy policy must increase domestic supplies while using energy as efficiently as possible.

+ + +

*Alex Mills is President of the Texas Alliance of Energy Producers, which represents more than 3,000 members in 25 states. The opinions expressed are those of the author and do not necessarily represent the opinions and/or policies of the Texas Alliance of Energy Producers. Mr. Mills can be reached at [alexm@texasalliance.org](mailto:alexm@texasalliance.org)*