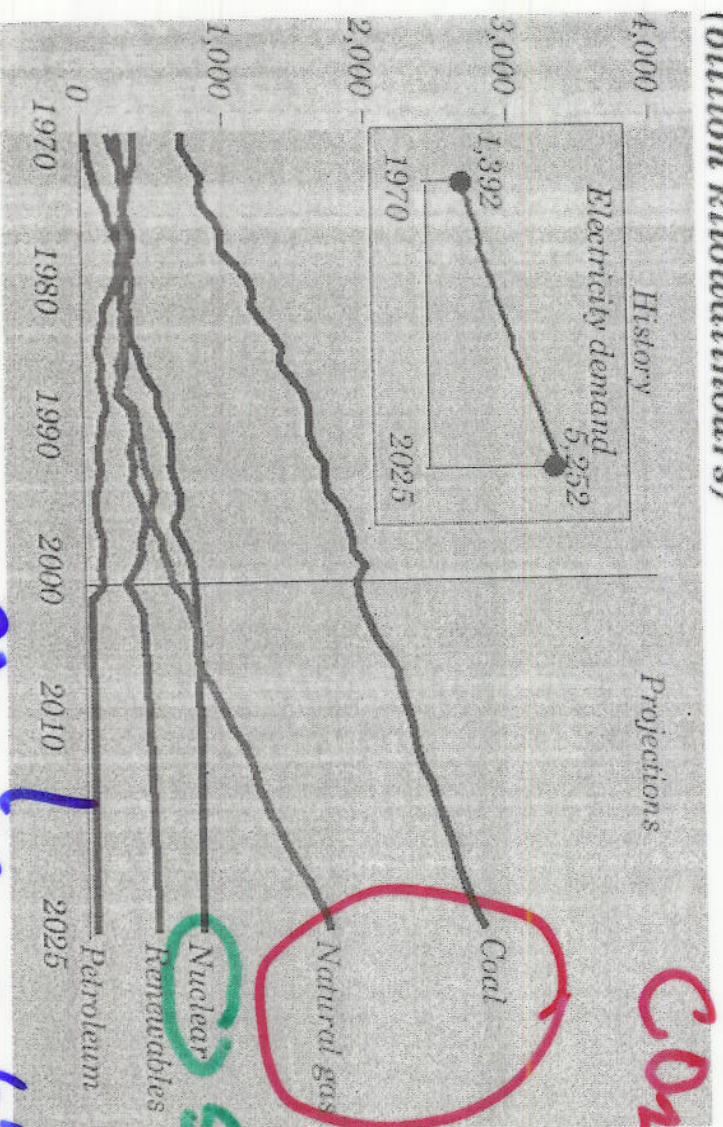


United States Energy Outlook Through 2025 (cont.)

Figure 4. Electricity generation by fuel, 1970-2025
(billion kilowatthours)



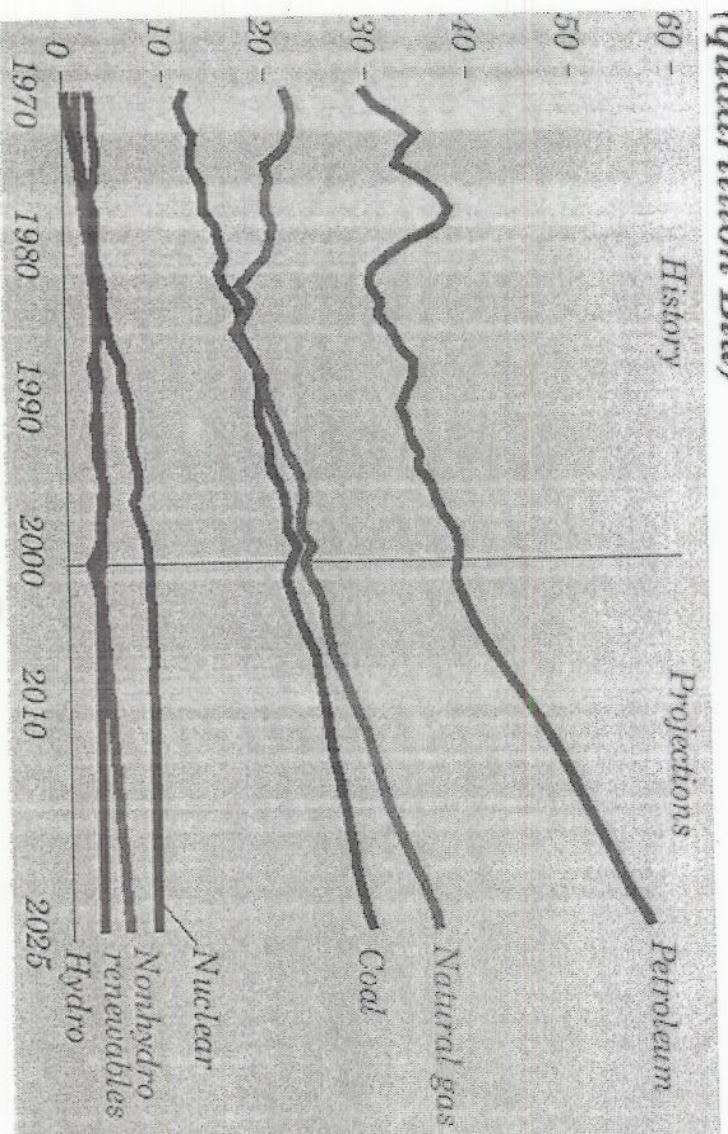
CO₂

Savior?

Phm 27-13 6.54 24-11

United States Energy Outlook Through 2025 (cont.)

Figure 2. Energy consumption by fuel, 1970-2025
(quadrillion Btu)



Business World / By Holman W. Jenkins Jr.

Carbonia Qnobia

170812

020910 = 00028
03670 = 0003615

You Don't Need a Reason to Hate CO₂

world, as everybody from Hans Blix to John McCain keeps telling us.

That guy who was elected yesterday will have to face the Queen—and she's hopping mad. It appears that the British monarch has noticed some undisclosed evidences of global warming on her hereditary estates and instructed Prime Minister Tony Blair to raise her concerns with the executive branch of the United States starting with a global climate conference in Berlin that begins tomorrow.

California has its own unelected royalty: The dukes and earls of the Air Resources Board want automakers to reduce vehicular carbon dioxide 30% by 2015. Meanwhile, the head of Exxon Corp., an operator of U.S. nuclear power plants, has endorsed carbon limits on his competitors, operators of coal plants. Coal specialists in turn are racing to invest in techniques to capture carbon and dispose of it, which they hope will be a lucrative new side line.

The U.S. government now budgets \$6 billion a year for climate research supporting a growing industry of scientists and university labs that specialize in the subject. The feds are also spending \$1 billion on a coal gasification project aimed at capturing carbon before it goes out the stack, plus another \$1.2 billion to develop a hydrogen car.

What's going on? It all adds up to a significant institutionalization of the impulse to treat carbon as a problem, perhaps the biggest problem facing the

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For all that has happened over the past four years, Al Gore might have been president. Carbon is rapidly becoming the first "anti-resource" in the global economy—billions will be spending to get rid of it and no controversy over the reality of climate change seems likely to impede this development.

Public majorities now affirm for polsters that global warming is a real problem. That guarantees (farm subsidies are your model here) that a majority will be content to cheer on politicians as they dive into any large chunks of the national income to battle carbon—just as long as most chunks aren't too directly noticeable on any individual taxpayer's bottom line.

So, it's remarkable that the so-called "progress" is based on a measurable rise in carbon dioxide in the atmosphere from man-made sources. From 0.028% before industrial society, the atmospheric concentration of CO₂ today is 0.036% and deemed likely to hit 0.06% or more by century's end.

Now CO₂ is a greenhouse gas, trapping heat in the atmosphere, though by far the most important greenhouse gas is water vapor, which explains why simple models of the atmosphere—more CO₂ equals more heat—still produce fierce scientific debate.

We've become a lot more careful, for instance, about measuring temperature since global-warming fears

emerged. Lo, the result has been to undermine any certainty that the globe is warming at all, even to the minor extent that advocates of the global warming scenario insist upon, about one degree Fahrenheit in the past century.

With the institutionalization of warming fears, we're also looking more carefully at climate patterns, though increasingly those patterns seem more strongly correlated to solar variation than to changes in atmospheric CO₂. Never mind: Global warming is a theory constantly in search of

Carbonphobia develops a life of its own.

facts, yet that has proved no barrier on a self-interested steamroller.

Carbon dioxide comes out of the multiples of cars and factories, reason enough for green believers to accept that carbon dioxide should be curbed, regardless of whether it can be confidently linked to unpleasant phenomena. Plus there's the fact that CO₂ is easily measured, presenting an attractively one-dimensional problem for technologists and entrepreneurs to try to solve. Too much CO₂? Get rid of some of it. Simple.

Indeed, farm subsidies may be the best guide to how this will play out. Politics favors the permissive over the restrictive. That's why Tom Harkin's perennial plan to prop up farm incomes with production quotas never got much traction. Greenies are already grumbling at how quickly carbonphobia is being captured by the proponents of

technological fixes rather than the root-cause approach of giving up the comforts of industrial civilization.

Folks at Los Alamos National Lab are beavering away at artificial trees, designed to scrub CO₂ from the air. Likewise, a U.S.-Canadian group is well along in testing the feasibility of injecting CO₂ into underground wells. If that doesn't pan out, the Department of Energy has an entire facility devoted to exploring the possibility of sending great blobs of liquefied CO₂ to the bottom of the ocean.

Investors, get your billions ready. These approaches sell themselves because success can be measured in terms of carbon dioxide kept out of the air, allowing proponents to claim triumph whatever the science of global warming turns out to be.

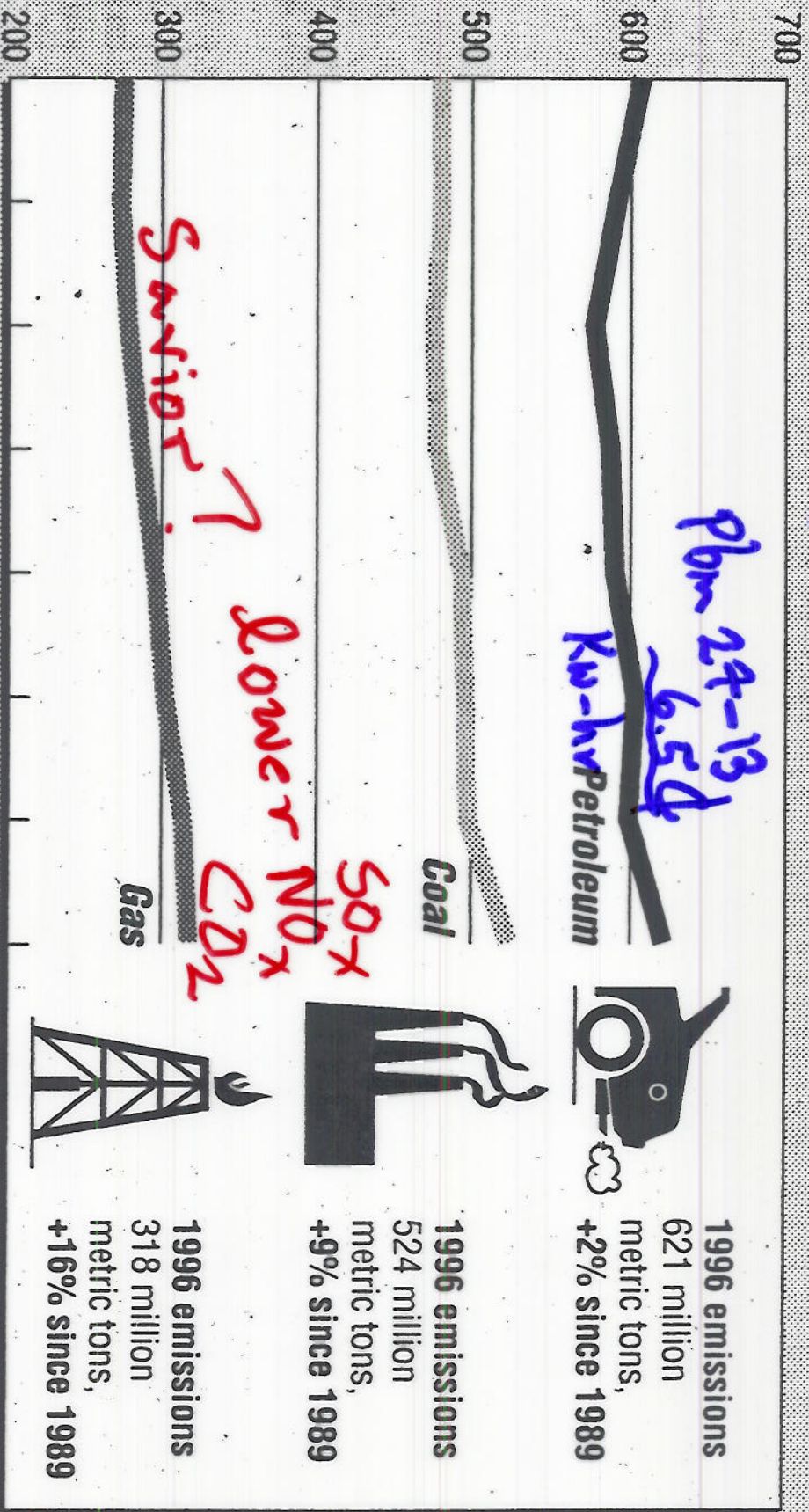
By contrast, we'd advise steering clear of the many ingenious schemes aimed at influencing global temperature directly, such as by throwing shiny material into the skies to increase the reflectivity of the atmosphere. The drawback here is obvious: The temperature record being one of the flimsier reeds of global warming theory, failure of warming to occur could easily undermine the market for such solutions.

Carbonphobia, on the other hand, can be an end in itself. Like farm programs that serve no real purpose other than to make farmers happy, it doesn't matter why we're getting rid of CO₂, as long as politicians, the media and vested scientific interests agree that we should get rid of it.

Hidden costs of energy

Fuels Into the Air

U.S. carbon dioxide emissions, by fuel, in millions of metric tons



Sources: Energy Information Administration, U.S. Department of Energy

NOTE: A metric ton equals 2,204.62 pounds.

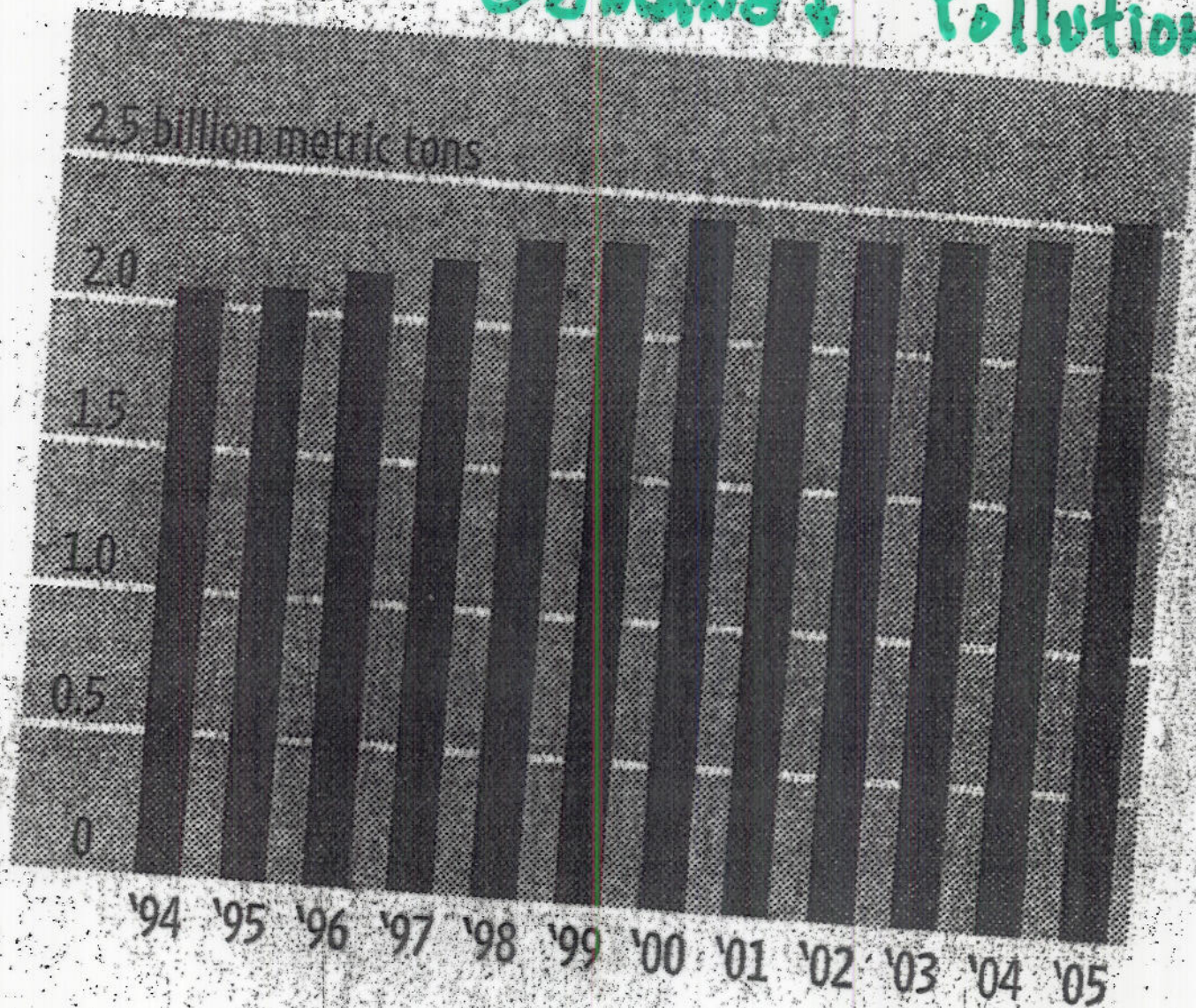


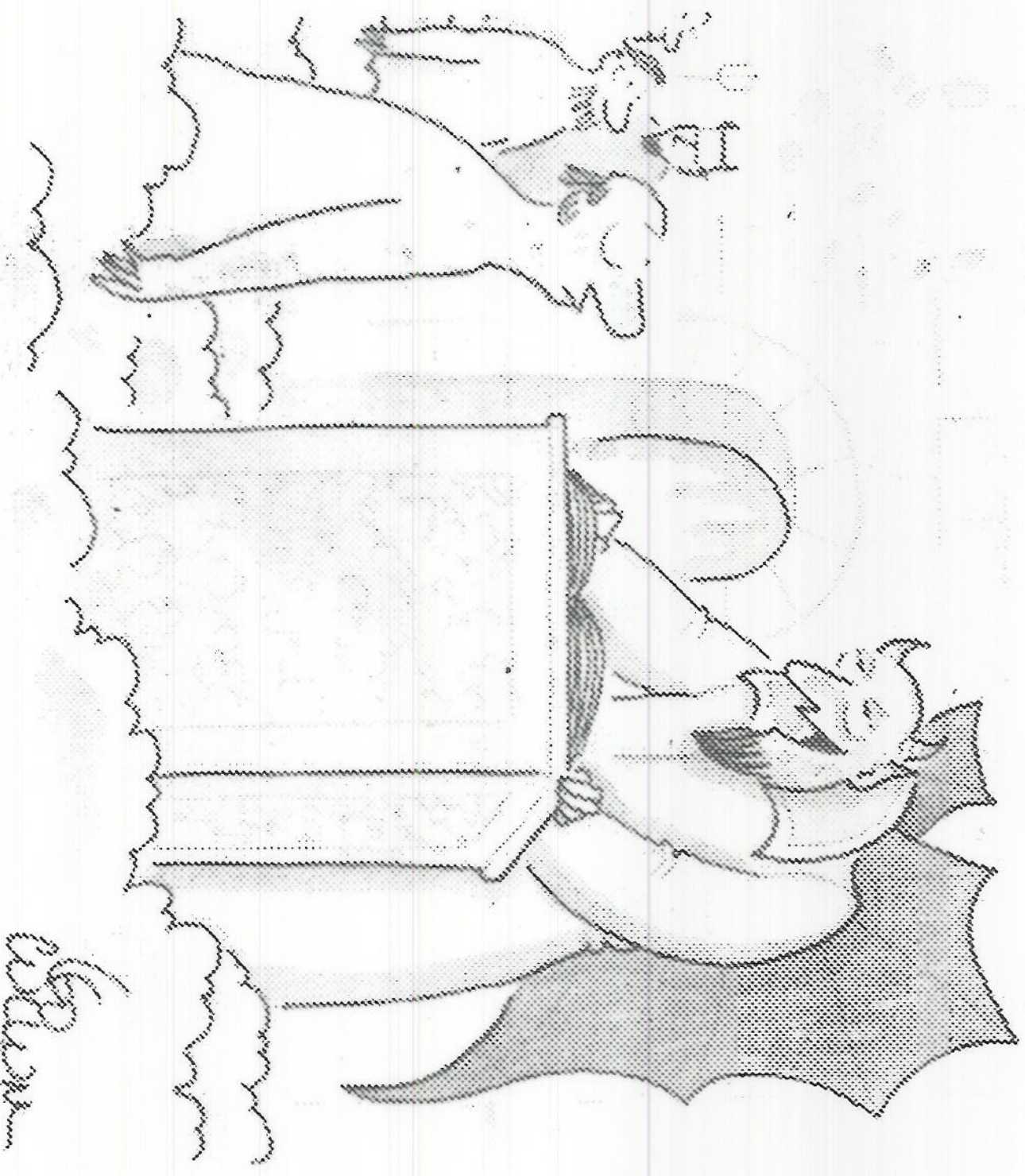
Nuclear the best (lowest)

Greenhouse Emissions

The electric industry's emissions of carbon dioxide, a greenhouse gas, have trended higher, creating support for energy-efficiency programs to fight global warming

Demand & Pollution?





“Yes, it is eternal damnation, but
we’ll be some opportunities along the