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Key Questions for Steven Chu, Nominee for Secretary of Energy

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The United States Senate will soon render its advice and consent to the nomination of Steven Chu as the new secretary of the Department of Energy (DOE).

In addition to overseeing the agency's duties conducting energy research and dealing with nuclear waste issues, a good secretary of energy also needs to stand as a secretary *for* energy—in favor of plentiful and affordable energy supplies for the American people and a supporter of the free market processes that work best to provide them. The federal government already has several anti-energy forces in place, particularly the Environmental Protection Agency, whose statutory duties require it to impose environmental constraints on energy production and use, especially fossil fuels, and often without regard to cost. Therefore, it is an important part of the secretary of energy's job to act as a pro-energy counterweight to EPA rather than as a redundant anti-energy voice within the executive branch.

Therefore, when considering Chu for this post, the Senate should consider asking him the following questions.

Question #1: Gasoline Prices

Last September you made the statement that “somehow we have to figure out how to boost the price of gasoline to the levels in Europe,” which at the time exceeded \$8.00 a gallon. *As secretary of energy, will you speak for or against any measures that would raise the price of gasoline?*

Answer: Clearly, the American people want energy that is more affordable, not less. High gasoline prices hurt everyone, especially those with low incomes, and weaken the overall economy.¹ It is the role of the secretary of energy to work for the benefit of the American people by advocating policies that keep energy as inexpensive as possible. To do otherwise would be fundamentally at odds with the very purpose of the Department of Energy.

Question #2: Coal-Fired Electricity

You have also stated that American electricity prices are “anomalously low” and that “coal is my worst nightmare,” largely due to its contribution to global warming. *As secretary of energy, will you support coal-fired electric generation in order to provide affordable electricity for the American people?*

Answer: Coal is the one energy source America has in overwhelming abundance, and it currently provides 50 percent of America's electricity. Without it, electric bills would be much higher. The DOE will continue to conduct research into alternatives to coal as well as means to reduce its environmental impact. But major breakthroughs are a long way off from viability, and it is important for the DOE not to

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over-promise on them. Premature efforts to shift away from conventional coal use would do great harm to the American economy. Being anti-coal is precisely the kind of misguided approach a secretary of energy should be fighting against.

Your statements in support of both higher gasoline and electricity prices are evidence of a belief that the American people would be better off if energy (and especially fossil fuels) was deliberately made so expensive that individuals and businesses were forced to use less of it. This anti-energy, anti-consumer, and anti-economy view is popular enough among environmental activists inside and outside the federal government, but it has no place at the Department of Energy, where energy affordability should not take a back seat to an environmental agenda.

Question #3: Alternative Energy

Are you going to take a realistic approach toward alternative energy sources, with particular regard to the continued need for conventional energy supplies until such time as alternatives are ready to replace them?

Answer: DOE needs to be realistic about its research into energy alternatives, especially about the timeframes it will take for truly viable—both technologically and economically—alternatives to emerge. The process will likely take decades, not years. Furthermore, the role of the Department of Energy in trying to accelerate the process by picking winners and losers among emerging alternatives is one with a disappointing track record.² A realistic approach toward alternatives leads to the conclusion that the age of fossil fuels—petroleum for transportation and coal for electric generation—is not yet over, so the secretary of energy should support efforts to ensure that those time-tested energy sources are as plentiful and affordable

as possible until such time as alternatives are genuinely ready to carry the load. To endorse shutting the door on conventional energy based on the wishful thinking that replacements are just around the corner would make for a very regrettable energy policy.

Question #4: EPA Regulation of Carbon Dioxide

Last July, the Department of Energy spoke out against the EPA's Advance Notice of Proposed Rule-making (ANPR) to regulate carbon dioxide and other greenhouse gas emissions under the Clean Air Act (CAA). *As secretary of energy, will you continue to be a voice of economic reason and energy policy rationality on this and other problematic global warming measures?*

Answer: The DOE detailed its significant concerns with the ANPR, stating that the EPA's proposal “lacks the comprehensive and balanced discussion of the impacts, costs, and possible lack of effectiveness” were fossil energy use to be regulated in this manner. Beyond the merits of DOE's comments, the very fact that the agency weighed in so strongly against the EPA and its ill-advised proposal demonstrates an important role the secretary of energy needs to continue playing in the global warming debate.

Question #5: Nuclear Energy

You have publicly recognized the critical role of nuclear energy in meeting our nation's growing energy demand. You have also suggested that with nuclear fuel recycling a permanent geologic repository at Yucca Mountain is not essential.³ *What is your position on the scientific viability of Yucca Mountain, and do you support allowing the Nuclear Regulatory Commission to complete its review of the Department of Energy's permit application for Yucca Mountain?*

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2. Ben Lieberman and Nicolas Loris, “Energy Policy: Let's Not Repeat the Mistakes of the '70s,” Heritage Foundation *WebMemo* No. 2004, July 28, 2008, at <http://www.heritage.org/Research/EnergyandEnvironment/wm2004.cfm>.
3. Bonnie Azab Powell, “Growing Energy: Berkeley Lab's Steve Chu on What Termite Guts Have to Do with Global Warming,” *UC Berkeley News*, September 30, 2005, at http://berkeley.edu/news/media/releases/2005/10/03_chu.shtml (January 10, 2009).

Answer: While recycling used nuclear fuel will likely be a critical element to any comprehensive used nuclear fuel management strategy, it is unclear that such processes will alleviate the need for some permanent geologic storage. This is especially true for America's defense-related nuclear waste, which requires permanent geologic storage.

Although President-elect Obama and others have voiced opposition to Yucca based on concerns over safety, the Nuclear Regulatory Commission, whose job it is to make such determinations, is currently reviewing the Department of Energy's application to build Yucca. It should be allowed to carry out its mission.⁴

Outside of defense-related activities, one of the primary jobs of the DOE is to dispose of the nation's commercial nuclear waste. The problem is that the DOE has an abysmal record in carrying out this mission. While America's energy consumers have paid the U.S. government roughly \$28 billion (payments and interest) to dispose of nuclear waste, the U.S. government has collected no waste from utilities. In addition to that, there is no consensus on how to move forward.

This is in direct contrast to nuclear fuel-related activities and power plant operations. Both of these functions are privatized and operate safe and efficiently. Only so-called back-end activities (or those related to waste management) fall under the purview of the federal government, and only they remain dysfunctional. That is why it is essential to begin the process of moving responsibility of waste management to those that produce the waste.⁵

A Secretary for Energy. Even when DOE does not have regulatory authority, it can be a powerful pro-energy voice that needs to be heard. It is crucial for the secretary of energy to remain a secretary for energy as a number of energy policy initiatives, global warming-related and others, are considered in the years ahead. Beyond its role conducting research and dealing with nuclear waste issues, this pro-energy advocacy role may be the most important one that the secretary of energy oversees.

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For More Information

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