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America's lights go out?

Soon after the widespread blackouts of 2003, the Electric Reliability Organization was established, and it recently issued its first report. That report makes for grim reading because the nation's electric power infrastructure is on the brink of collapse.

Misguided environmental regulations, green obstructionism and the NIMBY (Not-in-my-backyard) syndrome have combined to delay the construction of desperately needed new power plants and transmission lines. The result is an infrastructure that will soon be unable to meet the demands of the American economy. Policy makers must act now to re-empower America.

The ERO projects that U.S. demand will increase by 141,000 megawatts (MW) over the next 10 years. Supply, however, will increase by only 57,000 MW, and that assumes that all currently proposed new facilities are approved and built.

The system will be operating below the marginal capacity needed to ensure supply reliability at all times. In other words, in peak periods like heat waves, there won't be enough electricity to go around. Blackouts will inevitably result.

One key problem is the sheer difficulty in building new power plants in America today. Politically powerful green lobby groups object to the building of any new plant that does not use some form of renewable energy, yet renewable energy cannot meet demand for power on its own.

They also object to nuclear power stations because of their supposed danger, even though modern nuclear plants have an impeccable safety record. And they oppose coal-fired plants because of their alleged contribution to global warming.

To back up their objections, many environmental pressure groups generally have large budgets and huge teams of lawyers. One group boasted of having 75 lawyers working on a measure in California.

These groups are currently running a massive campaign in Texas to prevent the building of new coal-fired plants, without which the state will be patently unable to meet its needs. Transmission lines face even worse obstruction.

Meanwhile, utilities are prevented by regulation from using flexible pricing structures to incentivize efficient energy use. A highly regulated grid is not conducive to the efficient flow of electricity.

This is why the ERO has recommended a series of reforms. Foremost among these is the removal of regulatory barriers to the building of new infrastructure. Power plants and transmission lines need to be built urgently; measures that facili-

repealed. Without this new capacity, the power supply system will fail.

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Let us be clear about what that would mean. The electric power supply will be interrupted when it cannot meet demand. Lights will go out. Offices will cease to function. People will freeze or swelter. Elderly people will die. If sustained, this situation will severely damage the economy. Jobs will be lost. Health will suffer. The poor will get poorer. Flows of money from America to the developing world will shrink.

I remember as a young boy in England, huddling with my family round a coal fire that was our only source of heat and light (bar a few candles) during the power disruptions of the 1970s. A world without power is not a pleasant place.

One hundred years ago, the average Westerner had an annual income equivalent to \$4,000. A man could only work somewhere he could walk to; a woman spent much of her life performing back-breaking domestic labor. Medical science, while advancing, was still almost medieval in its practical application.

Much has changed in the last century, but in all cases the key to freeing us from these strictures has been widespread, affordable energy. A permanent flow of electricity has powered an explosion in wealth that has enabled millions to live long, fulfilling lives free from crushing hardship. The condition of life is no longer nasty, brutish and short.

It is a moral imperative to keep the power flowing. If our forefathers a century ago had worried about the side effects of using all that energy and set in place restrictions to stop it, millions — no, billions — would have suffered as a result.

Denied the technological advances that energy use enabled, we would live shorter lives and be doomed to labor — a poorer life in every sense. We should be thankful our ancestors chose not to legislate in our interests.

Rather than worrying about our great-grandchildren, we should instead be worrying about our brothers and sisters. The lesson of the ERO report is that we must take measures now to ensure the power keeps flowing.

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