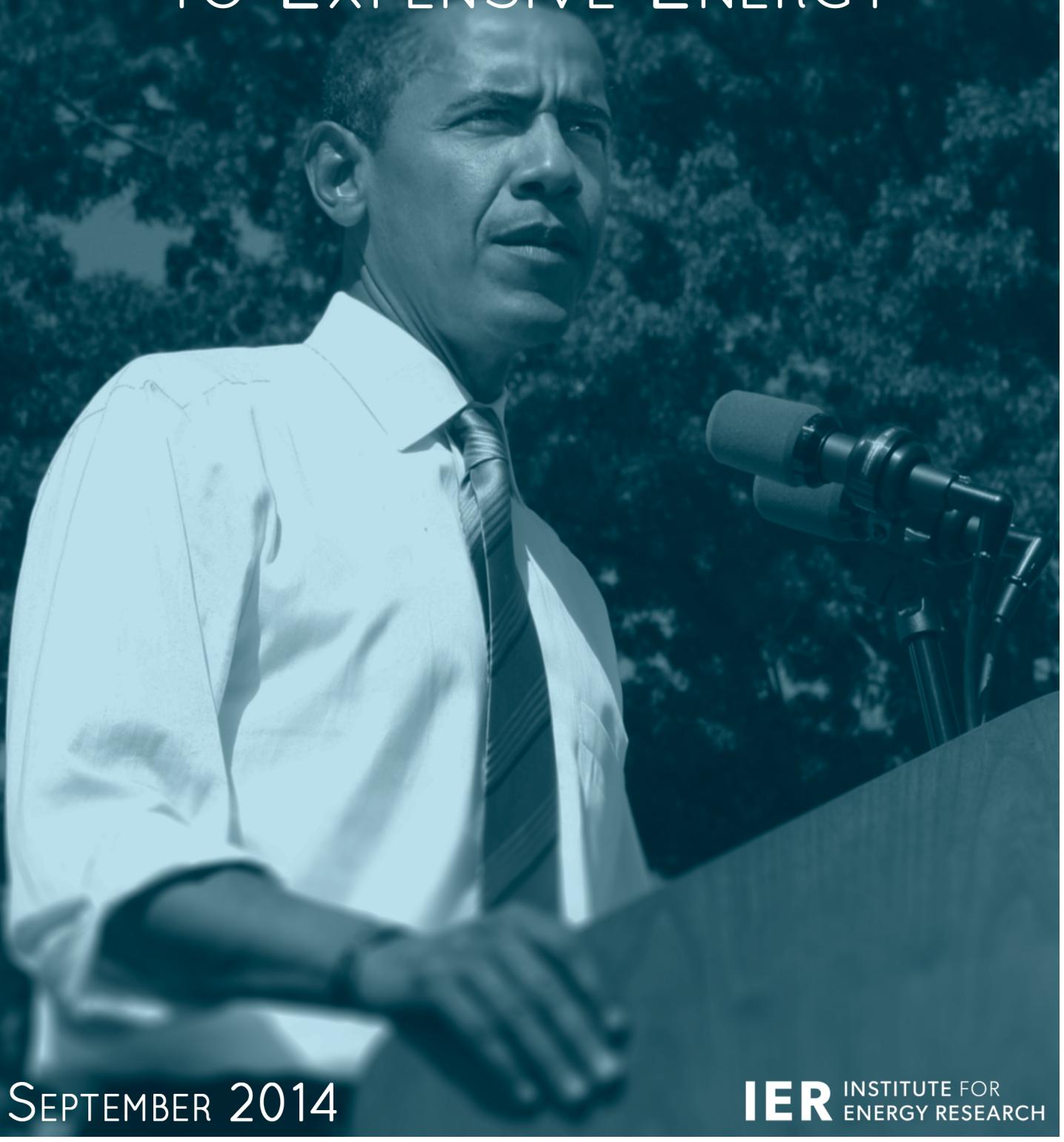


# THE EXECUTIVE ACTED

## OBAMA'S ROADMAP TO EXPENSIVE ENERGY



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**IER** INSTITUTE FOR  
ENERGY RESEARCH

## *Actions Taken by the Obama Administration Designed to Increase the Cost of Energy and Increase the Cost of Using Energy*

A few days before the election in 2008, a videotape surfaced of President Obama telling the editorial board of the San Francisco Chronicle that “under my plan . . . electricity prices would necessarily skyrocket.” Now, six years later it turns out that President Obama was speaking the truth, but he has worked not only to drive up electricity prices, increase the price of all sources of reliable energy and to increase the cost of using energy.

This report chronicles some of the actions President Obama has taken to increase energy prices and to increase the costs of cars, trucks, appliances, ice makers, and a multitude of other items that use electricity.

### **2009**

#### **February 4, 2009**

Cancelled 77 oil and gas leases in Utah that could cost American taxpayers millions in lost lease bids, production royalties, new jobs and the energy needed to offset rising imports of oil and gas.

#### **February 10, 2009**

Delayed for six months the development of the new 5-year leasing program for offshore drilling that would have created new jobs, produced more American-made energy, and made us less dependent on foreign oil.

#### **February 25, 2009**

Delayed the new round of oil shale research, demonstration, and development (RD&D) leases that would help advance American technology and create high-tech jobs in Colorado, Wyoming and Utah.

#### **February 26, 2009**

Introduced a budget that contains page after page of taxes on oil and gas totaling more than \$31 billion and included a cap-and-trade national energy tax that could cost the average American family over \$3,100 a year.

#### **March 30, 2009**

Signed the Omnibus Public Lands Management Act into law. This \$10 billion, 1200-page bill prohibited energy production on over 3 million acres of federal land, costing American jobs.

#### **April 2009**

Obama administration announces the intent to rewrite the 2008 Stream Buffer Zone rule, which a government contractor found would cost 7,000 jobs related to the coal industry in 22 states. In testimony to Congress, the contractor stated that the federal Office of Surface Mining requested the impact data be revised, and the contractor was dismissed after failing to do so.

**April 17, 2009**

Listed carbon dioxide as a pollutant, opening the door for the [regulation](#) of all CO2 emissions under the Clean Air Act.

**April 27, 2009**

The Environmental Protection Agency ordered the cancellation of a permit for a Navajo Nation power plant that Navajo leadership called the most important development project the tribe has ever undertaken. This decision [prevents](#) the Navajo nation from creating new jobs and reducing its 42 percent unemployment rate.

**June 29, 2009**

The Interior Department established new solar reserve areas under the premise of [prioritizing](#) solar development, but the actual result was the closing of all but two percent of federal lands from renewable energy development. This was done without public comment. The Department left open only 670,000 acres of the nearly 30 million acres of land with solar potential.

**July 14, 2009**

Energy Department issues [final rule](#) for conservation standards for fluorescent and incandescent reflector lamps utilizing controversial Social Cost of Carbon calculations to justify cost.

**July 20, 2009**

[Blocked](#) new uranium mining for two years on one million acres of land in Arizona.

**July 22, 2009**

Energy Department issues [final rule](#) for conservation standards for commercial HVAC equipment utilizing controversial Social Cost of Carbon calculations to justify cost.

**August 24, 2009**

Withdrew 23,757 acres of oil and gas [leases](#) in the Bridger Teton National Forest in Wyoming.

**August 31, 2009**

Energy Department issues [final rule](#) for conservation standards for refrigerated bottle or canned beverage vending machines utilizing controversial Social Cost of Carbon calculations to justify cost.

**September 17, 2009**

Secretary Salazar [stated](#) that the Administration may not complete a new Outer Continental Shelf lease plan until 2012.

**October 8, 2009**

Issued a final report on the Utah oil and gas leases, [offering only 17 of the 77 leases](#). In November, the Institute for Energy Research found that the Administration has leased less acreage than any other on record.

**October 20, 2009**

[Announced](#) a new round of oil shale RD&D Leases which include job killing variable terms, royalty rates, and lease sizes.

**2010****January 6, 2010**

[Implemented](#) numerous new hurdles to the leasing and development of new oil and natural gas on onshore federal lands.

**January 8, 2010**

Energy Department issues [final rule](#) for conservation standards for some consumer and commercial products including dishwashers, dehumidifiers, microwave ovens and clothes washers utilizing controversial Social Cost of Carbon calculations to justify cost.

**January 26, 2010**

MMS announced it will [delay](#) the Virginia offshore lease sale scheduled for November 2011.

**January 28, 2010**

[Announced](#) the results of the most recent round of oil shale RD&D leases, which resulted in an 85% reduction in industry interest under the terms proposed by the Department.

**February 2010**

President Obama issues [Executive Order 12866](#) setting a ‘Social Cost of Carbon’ (SCC) dollar figure to be used in calculating benefits of proposed regulations. The order set a price per ton of CO<sub>2</sub> of between \$5 and \$67 depending on discount rate and assumptions used.

**February 1, 2010**

Released the FY 2011 budget proposal that includes nearly [\\$40 billion in direct tax and fee increases](#) on the American oil, natural gas and coal industries. The budget also [shows](#) declining revenue for new offshore leases, proving that the Administration has no intention of opening up new areas for offshore drilling.

**February 17, 2010**

Department of Energy notified Congress that it would reprogram \$115 million Congress appropriated to continue the Yucca Mountain licensing process, and instead use it to [terminate the only national repository](#) for spent nuclear fuel under current law.

**March 3, 2010**

Department of Energy filed a motion to [permanently abandon](#) Yucca Mountain—the nation’s repository for high-level spent nuclear fuel under current law—jeopardizing the future of nuclear energy.

**March 9, 2010**

Energy Department issues [final rule](#) for conservation standards for small electric motors utilizing controversial Social Cost of Carbon calculations to justify cost.

**March 12, 2010**

Withdrew [61 oil and gas leases](#) in Montana as part of a settlement over climate change.

**March 26, 2010**

EPA [makes changes](#) to Renewable Fuel Standard Program regulating fuels and fuel additives utilizing the controversial Social Cost of Carbon calculations to justify costs.

**March 31, 2010**

[Ignoring](#) statutory law, the Bureau of Land Management agreed to settle a lawsuit out of court regarding the use of an “extraordinary circumstances” provision when using “categorical exclusions” for new oil and gas leases as defined by Section 390 in the Energy Policy Act (EPAct) of 2005.

**March 31, 2010**

Announced a new OCS plan that [closes the vast majority of the OCS](#) from future energy production.

**April 16, 2010**

Energy Department issues [final rule](#) for conservation standards for residential water and pool heaters utilizing controversial Social Cost of Carbon calculations to justify cost.

**May 6, 2010**

Issued a [moratorium](#) on all new drilling in the Gulf of Mexico, creating further economic devastation and costing thousands of jobs.

**May 17, 2010**

Bureau of Land Management [finalized](#) rules, first announced by Secretary Salazar on January 6, 2010, to establish more government hurdles to onshore oil and natural gas production on federal lands.

**May 28, 2010**

Lifted the moratorium on shallow water drilling – yet still keeps a [\*de facto\* moratorium](#) in place by approving only a handful of permits.

**June 15, 2010**

In an Oval Office [address](#) on the Deepwater Horizon oil spill, President Obama continued to push for implementation of a job-killing cap-and-trade national energy tax.

**June 21, 2010**

EPA announced its [proposed rule for Coal Combustion Residuals](#), also known as coal ash, which [could cost up to 316,000 jobs and \\$110 billion in economic activity](#). EPA rules regulating coal also threaten the reliability of the power grid and have taken actions that will lead to the closure of power plants with [33 gigawatts of generating capacity electricity](#).

**July 12, 2010**

[Issued](#) a new moratorium on deepwater drilling after the first moratorium was struck down in federal court.

**July 19, 2010**

President's Ocean Policy Taskforce [issued](#) final recommendations on implementing a Federally-controlled system of ocean zoning that could lock up huge areas of the ocean to energy development.

**September 9, 2010**

EPA [issues final rule](#) regulating air toxic standards for cement manufacturing reducing emissions from existing and newly constructed kilns nationwide. The rule uses the controversial Social Cost of Carbon Standards to justify costs of taking action.

**October 12, 2010**

Lifted the deepwater drilling moratorium – yet still keeps a [\*de facto\*](#) moratorium in place by not issuing permits.

**November 18, 2010**

An Interior Department presentation [showed](#) that it plans to postpone new lease sales in the Gulf of Mexico until 2012.

**November 31, 2010**

Interior Department [announced](#) it would consider proposals to regulate hydraulic fracturing on public lands—an engineering production technology currently regulated by states that is responsible for tremendous growth in natural gas production.

**December 1, 2010**

Effectively [reinstated](#) the moratorium on offshore drilling, placing the entire Pacific, the entire Atlantic, the Eastern Gulf and parts of Alaska off limits to future energy production.

**December 23, 2010**

Interior Department [announced](#) a new “Wild Lands” Secretarial Order that could place hundreds of millions of acres of public lands off-limits to American energy production.

**2011****January 14, 2011**

Revoked an already issued permit for a West Virginia coal mine, [costing 250 American jobs](#).

**February 2, 2011**

[Continued](#) to impose a *de facto* moratorium on drilling, Federal Judge finds the Interior Department in contempt of court.

**February 14, 2011**

[Released](#) the FY 2012 budget proposal that includes over \$60 billion in direct tax and fee increases on American energy production.

**February 15, 2011**

[Announced](#) further delays to U.S. oil shale production by deciding to re-review the current rules for commercial oil shale leasing.

**February 28, 2011**

[Issued](#) a token deepwater permit, over four months after the moratorium was officially lifted. Did not say when future permits would be issued, thereby continuing the *de facto* moratorium and leaving thousands of Americans out of work.

**March 4, 2011**

Filed an appeal to a Federal Court [ruling](#) that ordered the Administration to act on stalled deepwater permits.

**March 21, 2011**

EPA issues [final rule](#) for performance standards of sewage incineration units and industrial boilers and heaters utilizing controversial Social Cost of Carbon calculations to justify cost.

**June 20, 2011**

Secretary Salazar continued the [short-term](#) ban on uranium mining claims and suggests a 20 year ban.

**June 2, 2011** [President Obama nominated John Bryson](#), a founder of the anti-energy group Natural Resources Defense Council (NRDC) and chairman of a solar company that received a \$1.6 billion DOE loan guarantee, to be Secretary of Commerce.

**June 23, 2011**

Recognizing that additional oil supplies will reduce the price of gasoline and reduce political pressure to do something meaningful to increase supplies, the Obama administration releases oil from the [Strategic Petroleum Reserve](#), which was established as a stockpile against an emergency embargo or natural disaster which disrupts U.S. oil supplies.

**July 6, 2011**

EPA finalized the Cross State Air Pollution Rule, which it [estimates will cost \\$800 million a year, in addition to \\$1.6 billion in capital investments](#) needed each year. As a result, Luminant—Texas' largest power generator—announces closure of plant units, and [the layoff of 500 employees](#).

**June 8, 2011**

President Obama nominates Rebecca Wodder to be the next Interior Assistant Secretary for Fish, Wildlife and Parks. [Wodder's nomination is later withdrawn](#) after public concerns about her record of opposition to oil and gas exploration, as well as other natural resource activities. Wodder, in her role at an environmental activist organization, among other things said hydraulic fracturing has a “nasty track record of creating a toxic chemical soup that pollutes groundwater,” despite [no confirmed incidents of contamination](#) being reported.

**August 8, 2011**

EPA [finalizes](#) the Cross-State Air Pollution rule regulating interstate transport of particulate matter and ozone. The rule is predicted to cost power plant companies [up to \\$800 million](#) per year in compliance. The rule also utilizes the controversial Social Cost of Carbon calculations to justify costs of the rule.

**August 15, 2011**

A federal judge [overturns](#) the Obama administration’s policy to block the use of categorical exclusions for offshore oil and natural gas production, a long-established practice that reduces government costs and red tape in the permitting process for minor activities. Without categorical exclusions, permitting will be delayed significantly. The Department of Interior is “reviewing the ruling” in an attempt to mandate individual environmental reviews for each drilling permit.

**August 26, 2011**

The Department of State concludes its [36-month environmental assessment](#) of Keystone XL pipeline, which would transport as much as 830,000 barrels of oil from Canada per day to be refined and used in the US. The review found that no significant adverse impacts to the environment would result from the pipeline. Yet no action was taken to approve the pipeline.

**August 31, 2011** Solyndra, the poster-child for President Obama’s “green” energy policies, [filed for bankruptcy](#), despite receiving a \$535 million loan from U.S. taxpayers. Unfortunately, the [list](#) of companies that received taxpayer subsidies before going bankrupt is extensive and growing.

**September 2, 2011**

The Obama administration announces postponement of the controversial ozone rule—[which was estimated to have cost 7.3 million jobs and nearly \\$700 billion in economic activity by 2020—but states its intent to revisit the issue in 2013.](#)

**September 15, 2011**

Energy Department issues [final rule](#) for conservation standards for residential refrigerators and freezers utilizing controversial Social Cost of Carbon calculations to justify cost.

**September 15, 2011** The EPA issues [a final rule](#) extending greenhouse gas and fuels efficiency standards for medium and heavy-duty engines and vehicles. The rule would add between \$397 and \$5,677 to the cost of impacted new vehicles in 2016 and have a total annual cost of over \$3.2 billion dollars by 2050.

**September 30, 2011**

Fiscal Year 2011 ends without the Obama administration [holding a single offshore lease sale](#), the first such occurrence in 50 years.

**October 3, 2011**

The Interior Bureau of Ocean Energy Management finally affirms Shell's permit to drill in the Chukchi Sea, after delaying and placing its [February 2008 lease purchase under review for over a year](#).

**October 26, 2011**

Interior Secretary Salazar [proposes merging the Office of Surface Mining \(OSM\) with the Bureau of Land Management](#)—despite the fact that the law creating the OSM states that it is meant to be a separate regulatory body without interference from Interior's political functions.

**November 8, 2011**

The Obama Administration announced a [draft plan](#) that closes the majority of the OCS to new energy production through 2017. The Administration's draft five-year plan prohibits new offshore drilling and essentially only allows lease sales to occur in areas that were open when 85% of the lower 48 OCS was under the moratorium that was lifted in 2008.

**November 10, 2011**

The Department of State [announces that it will need until 2013](#)—or at least 13 more months—to consider an alternate route for the Keystone XL pipeline, which was first proposed in 2008. This is despite State's determination 3 times that the pipeline would cause no significant environmental impacts.

**November 14, 2011**

Energy Department issues [final rule](#) for conservation standards for fluorescent lamp ballasts utilizing controversial Social Cost of Carbon calculations to justify cost.

**November 16, 2011**

The EPA and NHTSA issued a joint proposal to increase fuel economy mandates from 2017–2025. IER [filed comments](#) on the final rule that demonstrate the extremely destructive and unintended consequences that will result from the stringency of these new CAFE mandates, including safety as well as significantly higher auto prices which will force some drivers out of the market.

**2012****January 9, 2012**

Obama’s Department of the Interior Secretary Ken Salazar’s announces a 20-year ban on uranium mining on one million acres of federal land in Arizona. The Chairman of the House Natural Resources Committee [stated](#), “Safe and responsible mining of this land could have produced thousands of high paying, family wage mining jobs. The United States is already 90 percent dependent on foreign sources of uranium and this decision only exacerbates our foreign dependence by locking up our own clean energy resources.”

**January 18, 2012**

President Obama officially [rejected](#) the Keystone XL pipeline permit by issuing a finding that the pipeline was “not in the national interest” of the United States. The action destroyed tens of thousands of jobs right here in America. For each additional day his denial stands, the U.S. will import millions of dollars of overseas oil which could be replaced with safe and secure North American supplies.

**January 24, 2012**

President Obama makes his State of the Union address, claiming that oil and gas production levels are higher than ever. However, government data shows that federal [permits today are being issued at rates 50 percent lower](#) than during the Clinton administration. The president fails to mention that this increase in oil production is happening on private and state lands, not the federal lands which his policies control.

**February 1, 2012**

Greater New Orleans Inc. releases the February 2012 [Gulf Permit Index](#) showing that the Obama administration’s ‘permitatorium’ in the Gulf continues. In the previous three months, the administration has issued 57 percent fewer deep water permits than the historical average and 68 percent fewer shallow water permits.

**February 3, 2012**

Obama Administration [announces plans to close off 75 percent of Western oil shale](#)—of which 70 percent is on federal lands—to development.

**February 13, 2012**

President releases his FY2013 budget, which [calls for \\$66 billion in new taxes](#) on the oil and gas industry.

**February 16, 2012**

Obama's EPA finalizes its Mercury and Air Toxics Standards (also known as Utility MACT), which will force plant closures, [cause 33 gigawatts of electric power to go offline](#) and raise electricity rates for all consumers. The estimated cost of this rule is [between \\$9.6 and \\$11 billion per year](#), and when combined with the finalized CSAPR rule, [would destroy 183,000 jobs per year between 2012 and 2020](#). These actions will make electricity prices skyrocket.

**March 16, 2012**

Energy Secretary Steven Chu [issues a memorandum](#) to Power Marketing Administrations (PMAs) that outline massive investments in smart grid technologies and transmission changes to accommodate renewable energy that will result in higher rates for Americans.

**March 28, 2012**

[Postponed](#) a Virginia drilling lease that would've created 2,000 jobs and produce 750 million barrels of oil along with over 6 trillion cubic feet of natural gas. This order pushes the lease sale, originally scheduled for 2011, back to 2018.

**April 13, 2012**

[Released](#) a proposed rule establishing greenhouse gas limits for new power plants. Rule would effectively eliminate possibility of future coal plants being built.

**May 4, 2012**

[Proposed](#) tighter regulations on hydraulic fracturing on federal and Indian lands that will limit expansion of oil and gas production on these energy rich areas, costing America jobs and economic growth.

**June 28, 2012**

[Released](#) the Administration's 2012–2017 off shore drilling lease plan. The plan keeps up to 85 percent of potential offshore development off limits. It also further restricts access in Alaska and does not allow for any drilling on the Atlantic seaboard.

**October 15, 2012**

[Released](#) final rule establishing Corporate Fuel Economy Standards for light-duty vehicles for 2017 and later at an average of 54.5 mpg by 2025.

**November 20, 2012**

[Recommended](#) implementation of Energy Secretary Chu's March 16 memorandum that will force power marketing administrations (PMAs) to make major changes resulting in higher energy cost for many Americans.

**2013**

**January 18, 2013**

Announced EPA regulations that would mandate costly upgrades to Arizona's coal-fired Navajo Generating Station. Such changes would increase power and could impact water prices in Arizona as well. The local Navajo reservation could also see increased unemployment due to regulatory impacts.

**February 21, 2013**

Finalized plans that to further limit access to the National Petroleum Reserve-Alaska (NPR-A) and leave in question the possibility of a pipeline transport system for oil and gas from the Beaufort and Chukchi seas.

**March 22, 2013**

Announced new regulations that discouraging production of oil shale in the Western U.S. by forcing energy producers to prove commercial viability of a project before exploration and potentially increasing royalty fees paid for production of oil shale.

**April 10, 2013**

Released a FY 2014 budget that, besides being months late, seeks to increase federal lands while increasing taxes and fees on American energy producers.

**April 16, 2013**

Released the final implementation plan for the National Ocean Policy and mandatory ocean zoning initiative. The plan calls for mandatory zoning of oceans and would set regulations and mandates requiring many inland and coastal bodies of water. Such regulations would greatly impact energy production, especially offshore drilling

**April 18, 2013**

Energy Department issues final rule for conservation standards for distribution transformers utilizing controversial Social Cost of Carbon calculations to justify cost.

**May 2013**

The Obama Administration issues Executive Order 12866 updating the calculation for the Social Cost of Carbon used to justify the expense of new environmental regulations. The new calculation assumes social costs up to 120 percent higher than the 2010 estimates.

**May 16, 2013**

Released proposed regulations of hydraulic fracturing on federal and Indian lands that aim to override the successful controls previously implemented by the individual states and collaboration by industry and intergovernmental organizations.

**June 17, 2013**

Energy Department issues [final rule](#) for conservation standards for microwave oven standby mode utilizing controversial Social Cost of Carbon calculations to justify cost.

**June 25, 2013**

[Announced](#) unilateral executive action by President Obama instructing the EPA to establish further regulations on new and existing power plants. As part of the Presidents “war on affordable energy” efforts, these mandates would raise energy costs across the country and eliminate coal use for power generation in the future.

**November 15, 2013**

[Proposed](#) Renewable Fuel Standards (RFS) levels outlining the levels of renewable fuels to be blended into gasoline and diesel fuel in 2014. The proposal calls for 17 million gallons of cellulosic biofuels in 2014. As of August 2014 producers have only been able to generate 72,000 gallons due to cost and complexity of the process.

**2014****February 10, 2014**

Energy Department issues [final rule](#) for conservation standards for metal halide lamps and external power supplies utilizing controversial Social Cost of Carbon calculations to justify cost.

**March 3, 2014**

[Finalized](#) Tier 3 Emissions Standards for passenger cars and light trucks. Estimates by oil refiners predict an upfront compliance cost of \$10 billion and an annual cost of \$2.4 billion. This would result in a permanent increase in the cost of gasoline of between 6 to 9 cents per gallon. The EPA [estimates](#) the average price of a new car will rise \$72 due to the rule, a cost to U.S. consumers of \$1.1 billion per year.

**March 4, 2014**

[Released](#) FY 2015 budget with more tax hikes for oil and gas energy producers while simultaneously increasing subsidies for green energy. These policies would not only raise energy prices, restrict economic growth, and jeopardize jobs, but would also impact electric grid reliability.

**March 25, 2014**

[Announced](#) an expanded definition of the “waters of the United States” under the Clean Water Act. The new definition would allow EPA and the Army Corps of Engineers to regulate as “navigable waters” intermittent streams and ditches.

**March 28, 2014**

Energy Department issues [final rule](#) for conservation standards commercial refrigeration equipment utilizing controversial Social Cost of Carbon calculations to justify cost.

**April 18, 2014**

Delayed final judgment again on Keystone XL pipeline that would deliver millions of barrels of oil from Canada and states like North Dakota to refineries on the Gulf Coast. The project has been blocked by the Obama Administration since 2008.

**May 19, 2014**

Finalized rule by EPA regulate cooling water intake at over 1,000 electric generating and manufacturing plants. The annual cost is over \$275 million, which will result in higher energy prices. The rule could also jeopardize reliable energy generation.

**May 29<sup>th</sup>**

Energy Department issues final rule for conservation standards for commercial and industrial electric motors utilizing controversial Social Cost of Carbon calculations to justify cost.

**June 2, 2014**

Issued a proposed rule to regulate carbon dioxide emissions from existing power plants making good on President Obama's promise that electricity rates would 'necessarily skyrocket' under his administration. EPA says costs will be about \$8.8 billion dollars, while other estimates predict costs as high as \$480 billion.

**June 3, 2014**

Energy Department issues final rule for conservation standards for walk-in coolers and freezers utilizing controversial Social Cost of Carbon calculations to justify cost.

**July 28, 2014**

Imposed new regulations on Navajo Generation Station requiring the owners to either shut down or of the generating units or reduce power generation. This was not because of any harm to the health of humans or any other creatures but to reduce haze.

**August 8, 2014**

Announced new guidance from IRS which expands the expired production tax credit (PTC). The PTC requires the "construction" commence before the end of 2013, however, the IRS's new definition of "construction" reduces the need for actual physical work to occur, relying more on mere financing.

**September 9, 2014**

The EPA announces it will prepare to regulate aircraft emissions producing an endangerment finding by April 2015 and aiming for a 2016 release of a final rule.