Oily energy promises

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Burger King says, "Have it your way." But where energy and the environment are concerned, John Kerry goes them one better. He says, "Have it both ways."

Mr. Kerry's promises are certainly impressive. For example:

* Mr. Kerry says he will cut U.S. oil use by 2 million barrels per day by raising the CAFE standard - the federal government's mandatory fleet fuel efficiency rule for cars and light trucks - to 36 miles per gallon by 2015.

* He says he will provide $2 billion a year in new incentives for alternative fuels and advanced automotive technologies. He says he will spend $1 billion a year on new "clean coal" technologies and will have the U.S. generate 20 percent of its electricity from renewable sources by 2020.

* And that's not all. He will make "Big Oil" foot the bill.

It all seems too good to be true - because it is.

Take for example, Mr. Kerry's claim he will eliminate 2 million barrels a day of oil use - roughly equivalent, he is quick to note, to our Persian Gulf imports - by improving automobile mileage. For several reasons, the numbers don't compute.

First, most cars on the road in 2015 will be incapable of achieving the 36 mpg Mr. Kerry wants. The median lifespan of automobiles in the U.S. is 16.9 years. This means, at best, only around 16 percent of the fleet would be affected.

Second, Americans have increasingly opted for larger vehicles like SUVs. To achieve Mr. Kerry's target, either enormous gains would be needed on SUV fuel efficiency, or the buying public must forgo the beloved behemoths.

Third, Mr. Kerry does account for growth of the automotive fleet - the reason oil consumption for transportation has jumped 46.4 percent over the past three decades despite doubled fuel efficiency. Autos are nearly twice as efficient, but there are more than twice as many on the road.

So what's the bottom line?

Assuming Mr. Kerry's target is met, the best we could do is to reduce transportation-sector oil consumption by a little less than 890,000 barrels per day - assuming no new automobiles or light trucks are added to the fleet.

The math on Mr. Kerry's incentives for new automotive technologies and clean coal is just as wrong. He says he will use oil and gas royalties to pay for his incentives. Unfortunately, they're already spoken for.

In 2003, $150 million in federal oil and gas royalties went to the Historic Preservation Fund. Almost $172 million went to the Indian Tribes. Another $899 million went to the Land and Water Conservation Fund and more than $753 million to the Reclamation Fund. More than $1 billion went to the states.

In some years, there was still enough left in the federal share of royalty income after such payments to underwrite Mr. Kerry's $3 billion in proposed incentives. But in many others, there was not. Moreover, if the federal share of royalty income is diverted from general treasury revenues to other purposes, it would have to be made up from somewhere.

Also, Mr. Kerry insists he will continue restrictions on drilling offshore, in Alaska and in other "environmentally sensitive" areas. He doesn't seem to understand that if you don't drill, there is no oil or gas production to generate royalties.

This contradictory approach to energy and the environment also extends to coal, which Mr. Kerry would promote with incentives while calling for restrictions on carbon emissions that would make burning the fuel difficult if not impossible.

In supporting his claims about shifting to renewable energy for electricity generation, Mr. Kerry proudly points to California, which, he notes, gets more than 13 percent of its electricity from renewable sources. While this is true, the reason is that California is one of the largest consumers of hydroelectric power from the huge federal dam system. Almost 90 percent of its "renewable" electric power generation comes from this source. With geothermal power included, they account for 99.9 percent of California's "renewable" electricity generation.

But geothermal sites are limited, and last I looked no one is building a new Hoover Dam. That leaves wind, solar and biomass. Electricity from these sources, however, is between 2 and 5 times more expensive than conventional technologies. Mr. Kerry doesn't mention that. Nor does he mention routine environmental opposition to wind power projects.

In the final analysis, Mr. Kerry's energy and environmental plan is long on promises, short on practical solutions. It brings to mind an old Wendy's burger slogan: "Where's the beef?"

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