

TBWS Myron Ebel

Speaker 1 ([00:04](#)):

Welcome to the Bill Walton Show, featuring conversations with leaders, entrepreneurs, artists and thinkers, fresh perspectives on money, culture, politics and human flourishing. Interesting people, interesting things.

Bill Walton ([00:24](#)):

Welcome to the Bill Walton Show. I'm Bill Walton. Well, with the trillion dollars of spending that's coming out of Washington in the last year or so, we are seeing a lot of money spent on things that we don't understand very much and one of them is climate, the climate agenda, and all the money that seems to be steered to what my friend Myron Ebel calls the climate change industrial complex. Myron is a director of the Center for Energy and Environment at the Competitive Enterprise Institute and probably knows as much about this as anybody on the planet. I call him the maestro,, it's sort of a common... Malcolm Gladwell had maven, connector and salesman. Well, Myron's not our typical salesman, but I think he's all three, hence the maestro. And anybody who has his signature tag that says "Stop Continental Drift" is a man we ought to be paying attention to. So Myron, welcome.

Myron Ebel ([01:31](#)):

Thanks, Bill. Please don't call me the maestro, but it's good to be good with you.

Bill Walton ([01:37](#)):

Okay I won't, I'll call you Myron. Well, let's start with what's at hand right now. We've got the Manchin Bill that has come out and it's got a lot in it. Part of the continuing revolution, I guess, is that it's supposed to address the environmental permitting process, but it doesn't seem to do that and it also has a lot of handouts to what we're calling the industrial... what do we call it? The climate change industrial complex. So what's this about?

Myron Ebel ([02:11](#)):

Well, Senator Manchin, being the swing vote in the Senate, was played games with this huge spending bill that finally he agreed to in a somewhat smaller form in July and August, the so-called Inflation Reduction Act. And the biggest part of that was spending a whole lot of money on green energy and climate change. So we have subsidies for wind power, solar power, carbon capture and storage, nuclear energy, a whole bunch of other technologies and credits for buying electric vehicles, and all of this money, it was budgeted at 390 billion dollars for the whole package. No, I don't have that right. 300- I

Bill Walton ([03:04](#)):

I think that's right. But then there's also-

Myron Ebel ([03:06](#)):

370 maybe.

Bill Walton ([03:07](#)):

Yeah. Well, who's-

Myron Ebell ([03:08](#)):

Anyway, 369, 370, and about 190 billion of that was budgeted for wind and solar subsidies. But this is just an estimate. It really depends on how many wind projects are built and how many solar projects are built and how much energy they produce. So the people who want to make money, and I call it the climate industrial complex, but in wind and solar it tends to be groups of very wealthy investors who want to have a guaranteed return on investment and the federal tax credit is necessary to guarantee all that. They have a problem, which is, for example, if you want to build a huge wind facility in a very windy part of the country in Wyoming, well nobody lives there so they don't need much electricity. They have a very small population. Who needs it? California needs it.

[\(04:05\)](#):

So the Manchin-Schumer Permitting Bill was an attempt to figure out how to get wind and solar from places where they don't have a very high demand to population centers that do have a high demand, because the problem that you face if you want to make a lot of money off of taxpayer subsidies is it costs a lot of money to build transmission lines and there wasn't any money in the bill for that in the Inflation Reduction Act. So the Manchin-Schumer Permitting Bill would change the permitting system for high voltage transmission lines in just amazing ways. Luckily, the bill failed one time in September and the Republicans defeated it and we hope that that will continue.

Bill Walton ([05:01](#)):

Will you pointed out that traditionally the permitting has been a state responsibility, individual states, and part of what this does is it federalizes the permitting and it sucks all the decisions back into the Federal Energy Regulation Commission. Do I have that right, FERC?

Myron Ebell ([05:20](#)):

Yes, that's right, FERC, the Federal Energy Regulatory Commission.

Bill Walton ([05:23](#)):

And so this is the same kind of federalization that we're seeing them try through the Justice Department of our electoral system. So this is sucking everything back into the people here in Washington.

Myron Ebell ([05:36](#)):

Yes. The Federal Energy Regulatory Commission, or FERC, has responsibilities for a number of things. It's kind of a grab bag. For instance, they permit new natural gas pipelines, but not new oil pipelines. They have responsibility for high voltage transmission lines, but ultimately they have to work with the states and the utilities involved. The Manchin-Schumer Bill would say if the Secretary of Energy and FERC, this independent commission, get together and decide that a transmission line is of national importance, then three things happen. FERC can compel the construction of the line. That is, they can order it, they can tell the companies involved the utilities, "You must build this transmission line." The second thing is that they can start using eminent domain to condemn rights of way over a private property immediately.

[\(06:34\)](#):

They don't have to negotiate. They don't have to work with the states. They could just start saying, "This is where the line's going to go and we're going to condemn a right of way." And then the third thing, and this is the really important part, who's going to pay for it? Well, traditionally, if you build a power plant or have a power source and you want to hook it up to the grid, there's a law that says the utility is

obliged to hook you up. I mean, not every time, but usually if you have a power plant or a power source, the utility is obliged to hook you up, but they're not obliged to pay for the power line to hook you up and the transformers and everything. This bill, the Manchin-Schumer Bill, would say FERC can decide who has to pay for it according to who benefits.

[\(07:22\)](#):

So normally you would just say, "Well, the customers are going to have higher rates because you have this very expensive power line being added to your bill." But of course, they can decide how wide that catchment area is. And so customers, without knowing it, will be compelled to pay for the transmission costs of people who are making out like bandits with federal tax subsidies for wind and solar power. How much is this going to be? Well, some estimates are in the trillions of dollars. I've seen one study that says that getting to net zero emissions could cost two trillion dollars in terms of transmission lines. So anybody who is an electric customer is going to be paying much higher bills to reward these people who have built wind and solar facilities.

Bill Walton [\(08:16\)](#):

I want to go back to the underlying assumptions here. Net zero. Explain net zero and why we should care.

Myron Ebell [\(08:28\)](#):

Well, there's this idea that we have to get off of any source of energy that produces carbon dioxide emissions. So when you burn coal, oil or natural gas, you're going to produce CO₂ emission. Well, when you burn anything.

Bill Walton [\(08:44\)](#):

And when we exhale, that would be called carbon dioxide?

Myron Ebell [\(08:48\)](#):

Yes.

Bill Walton [\(08:48\)](#):

So we're also doing it.

Myron Ebell [\(08:51\)](#):

We inhale oxygen and exhale carbon dioxide. So CO₂ is the natural product of combustion. So we've been told that we have to get off coal, oil and natural gas altogether, but people have pointed out, "Well, there's some way... that's not going to be possible, it's just physically impossible. So instead of zero emissions, we'll call it net zero emissions so that we still produce some CO₂, but in some other way, we capture as much as we're using or we counteract it or compensate for it." So it's not as impossible a goal as zero emissions, it's net zero emissions. So there will still be some emissions, and at the other hand, there will be something to balance that are or compensate for it.

Bill Walton [\(09:44\)](#):

Well, the net zero, how does that link to the 1.5 centigrade target that the World Economic Forum, the Paris Accord and John Kerry have decided is the limit to how much temperatures can rise in the world, what is it until 2050? Is that the magic date in which this is supposed to happen?

Myron Ebell ([10:06](#)):

Well, there are a lot of numbers and I get them confused, but initially, the UN Framework Convention on Climate Change back in 1992, of which the Paris Climate Treaty is an addendum, an appendix to it, the UN Framework Convention said that we should take actions internationally to avoid dangerous interference with the climate system. But they never defined what that was. And so after being poked for many years and said, "Well, what is dangerous interference?" This other scientific body that's attached to the treaty called the Intergovernmental Panel on Climate Change, IPCC, the IPCC came up with a number and they said, "We think it's two degrees centigrade," So 3.6 degrees Fahrenheit. And that was the number for a while, but then they started to say, "Oh, that's not good enough. It won't require enough drastic and incredibly expensive action because the climate really hasn't been warming very quickly. And so we got to lower the number to avoid disasters." So the number they picked is 1.5. It's all just games, there's no-

Bill Walton ([11:25](#)):

But isn't a warming earth a more hospitable earth for human beings? I mean, we become more... agriculture comes into play in places like Siberia. There's a greening... There's a greening already taking place in North America. If you look at aerial maps, there are all sorts of good things that come from things being a little warmer. Far more people die from the cold than from the heat. And so I'm perplexed why we're concerned about this, except maybe it's ice caps and rising ocean levels. I mean, I want to go back to what we started with, but I still want to get to why we should care.

Myron Ebell ([12:09](#)):

Well, I agree with you. Look, there are... the whole climate change debate is really between data and models. The data-

Bill Walton ([12:21](#)):

That sounds exciting.

Myron Ebell ([12:23](#)):

Well, the data, the temperature records, that is how fast is the earth actually warming, what is the climate history of the earth?

Bill Walton ([12:31](#)):

Okay, all right.

Myron Ebell ([12:32](#)):

That's not very worrying because the warming that we've had since 1880 is mild and so far the impacts have been modest and mostly positive. But if you have a computer model that says that the kind of warming that's like this is suddenly going to go like that, then you see that, "Well, we better do something," because instead of eight inches of sea level rise per century, we're going to have eight feet or five feet or two... If you could scare people enough with a computer model, then this should drive the action.

([13:10](#)):

So you're absolutely right, the impacts are mixed of warming, they're beneficial in some ways, not so beneficial in others, they're modest. And one thing that people... or that the global warming people

forget to tell you is that if the theory is correct, most of the warming will be in the upper latitudes in the winter. It won't be in the tropics or the subtropics. So Florida isn't going to get a lot hotter, but Manitoba or Saskatchewan or North Dakota may get warmer in the winter. In other words, instead of it being 20 below zero, it will only be 10 below zero.

Bill Walton ([13:53](#)):

Well, and, Myron, it's going to ruin the skiing in Davos.

Myron Ebell ([13:58](#)):

Yeah. Yeah. You also, Bill, mentioned the greening effect. There's the indirect effect of carbon dioxide. It's a greenhouse gas, like water vapor. There's not nearly as much of it as there is of water vapor. We're up to 400 parts per million. That's one part in 25... around 2,500 of CO2 in the atmosphere. But it has a direct effect as well and that is, it greens the earth because plants use CO2. We give off CO2 when we exhale, plants take CO2 in in order to turn sunlight into carbohydrates, into energy that we can use. So yes, the earth is greening, NASA photographs from the satellite show this, all the northern or arboreal areas are greening up, cropland areas are greening up, grasslands. So a lot of the increased food production that we've had is undoubtedly due to higher CO2 levels.

Bill Walton ([15:09](#)):

Well, at this point, we seem to have lost the argument. I mean, the Davos people, World Economic Forum Klaus Schwab, Larry Fink running Black Rock, all the other... Brian Moynihan of Bank of America, they've bought the climate change crisis hook, line and sinker, but what I think we're talking about with the climate industrial complex, they're all making a fair amount of money from pushing everything in this direction. But it seems to me, and this touches back on the Manchin bill and what we're seeing now, their arguments are going to run into some pretty tough, stark realities. One of them is the physics, the materials, the economics of creating wind and solar power with its unreliability. I mean, first we've got the issue of batteries, how do you store it so when it's going to be deliverable that you can actually use? And as you pointed out, where you produce it, I guess we'd have thousands of square miles of solar panels in Wyoming or wherever.

([16:19](#)):

And the reason we didn't put energy there is the transmission lines to take it into, say, Los Angeles, where the power's needed.,The cost of that are off the charts. And it's not even clear we have all the materials we need to build the solar and wind that they're talking about in these projections. And the materials that we do have we know exist on the earth, a lot of them come from China or Africa in minds that the Chinese control. So it seems like we're coming up hard against some of this. And then the other thing we want to talk about is your colleague at CEI wrote a terrific piece that came out called "Unleashing America's Energy Abundance," in which he, I think, sort of assumes that we're going to go forward these climate change initiatives. But he says the regulatory barriers to making any of this happen are just unbelievable. And so setting a date of 2035, setting a date of 2050 is fantasy because we'll never get there from here.

Myron Ebell ([17:27](#)):

Well, that's-

Bill Walton ([17:28](#)):

That was a pretty complex question if it was a question, probably more of a statement, but your thoughts?

Myron Ebell ([17:32](#)):

Well, I think you made a couple of great points, Bill. First of all, the reality is that if global warming does really turn out to be a problem, it's a potential problem, let's say it's a potential problem. Wind and solar are a dead end. They cannot provide the power unless we want to go back to living lives where most of the work is done by human beings and draft animals like horses and mules.

Bill Walton ([18:02](#)):

Dark ages were a great time.

Myron Ebell ([18:04](#)):

Yeah. Well, if you were one of the very small percentage of people who didn't have to do all the heavy labor. But if you go back before modern agriculture, which is really machines plus energy plus fertilizer, and the fertilizer comes from natural gas and petroleum, if you go back before modern agriculture, over 80% of the people had to work on farms and not live in cities and not have all the modern conveniences. So if global warming is a problem, wind and solar are a dead end. Now, in terms of trying to create this new energy economy, you talked about all the obstacles to is there enough material or are there enough minerals, critical minerals, the various metals involved, lithium, copper, rare earths, cobalt? Well, yes, there's lots, however, nearly all of it right now is processed in China, regardless of where it's mined, and most of the critical... what we call critical minerals are processed in China. Why is that?

([19:17](#)):

Well, the US is very heavily mineralized, especially in the federalized West and Alaska. We have lots of minerals. But it's become very difficult to open a new mine in the United States. And so you can do it, but... whereas in Australia or Indonesia or China, it might take five to seven years, in this country, it takes 10 to 30 years. Now, if you're an investor putting up billions of dollars, where are you going to look? Are you going to wait 10 years to get off the... even get your permit submitted, then your environmental impact statement done to get a permit, then years to consider the permit before you get a decision? And then it gets litigated because environmental pressure group groups and preservationist groups and local people file suit and then that goes on. So you're talking about, I would say now for a big project, a minimum of 20 years. So if we're supposed to solve all these problems by 2035, they're not going to be solved by mining in America.

Bill Walton ([20:28](#)):

Well, and the regulatory thicket and the litigation risk is enormous and I guess the courts have given standing to almost anybody. I think Mario makes the analogy that if you're on your fishing boat on a lake and there's a power line somewhere within your view, that you have a standing in that whether something new gets built in the case. And so you can have billions of dollars lined up to build the extension of the power line, but that person in that fishing boat can get a lawyer and block it.

Myron Ebell ([21:05](#)):

That's absolutely right. And the way the litigation has evolved since the National Environmental Permitting Act, NEPA, was passed in 1970, has meant that there are just multiple opportunities to

litigate, even if you lose around one, there's around two, then there's around three. So people can keep filing suit for as far as the eye can see, even though they've lost every previous battle. So this country used to... we used to be able to do things and produce things in this country. It's getting increasingly difficult to do so and that's why we're more and more reliant on countries like China that haven't... Okay, there are some problems with the way China does things too, they're using forced labor to produce electric batteries or solar panels and we want to stop that, but in terms of actually being able to produce stuff, the United States is no longer a leader, we're at the bottom.

Bill Walton ([22:11](#)):

Well, gosh, there's so many places to take this. Well, China, of course, is building an electric power, coal fired electric power plant basically every week, and they're about to overtake the United States in terms of coal generated electrical capacity. So they're hardly among the-

Myron Ebell ([22:36](#)):

They use much more coal than we do. I've forgotten the numbers, but it's roughly double. They burn twice as much coal as the United States.

Bill Walton ([22:46](#)):

And if you care about the pollution or the environment, they have no controls over that, really, whereas we have very stringent controls here.

Myron Ebell ([22:54](#)):

Well, I wouldn't go too far down that path. China is... We have a bunch of old coal fire powered plants. We haven't built any new ones for a long time. Scrubbers were put on them. But China is building new, up to date power plants that are much cleaner than the old ones that we have. Now we have scrubbers which make ours clean, but no. But they're burning so much coal that that's why you see these. And when you see all these film of smog and dirty skies in Beijing or Shanghai, yes, that's true, but as they build a newer generation of coal fired power plants, that will go away. I think what people-

Bill Walton ([23:41](#)):

So the Chinese are behaving sensibly?

Myron Ebell ([23:45](#)):

Yes. They're very rational. They go to the UN climate conferences and they say, "Yes, we're going to do something, but not yet, because our economy is not yet a developed economy."

Bill Walton ([23:58](#)):

We're a developing country.

Myron Ebell ([23:58](#)):

"We're a developing country and we need to get as rich as you are before we can afford to do anything. So we will keep building coal fired power plants, but we promise at some point we'll stop. But of course, that point is not next year. It's 10 or 15 years from now." So China is very rational. And just talking about coal, the United States has the world's largest reserves of coal and yet we're locking them up, closing

down the mines, closing down the coal fired power plants and relying on more expensive forms of power.

Bill Walton ([24:32](#)):

Well, it seems if we had a light regulatory environment, I mean, the EPA did a lot of good in the early years cleaning up the air and the water and that was a reasonable thing to do at the time. But it's gone way... it's way overshoot its mark and now we've got all the other agencies involved and there's incredible overlapping matrix of federal government agencies involved in this. At what point does this... I mean, you've been following us for years and we're seeing now with the Ukraine, Russia, Nord Stream sabotage, shutting off gas to Germany, possibility the German industrial complex is going to have a very rough time because for example, their chemicals industry depends on a natural gas, fertilizer, food prices. The ordinary person in America and in Europe is going to be a looking at a very tough winter. Energy prices, electric prices are what, up 10 times in the UK and in Germany. Are these talking points? I always go to Myron because you kind of say, "Okay, well that's the hyperbole. Let me tell you what's really happening."

Myron Ebell ([25:47](#)):

Well, Bill, I think you got it right. Look, Europe is further down this agenda some years ahead of us. Now, California is some years ahead of most of the rest of the United States. So we ought to be able to look and see what are the consequences of these policies and yet everybody in this country is trying to say that it's caused by something else or just deny that it exists. Europe's energy system became so fragile as a result of these green energy policies that now faced with Russia's invasion of Ukraine and the cutoff of the gas pipelines, they are faced with just a crisis of enormous proportions, which is not just high energy prices, it's people freezing to death and entire industries closing down because they don't have enough energy to stay warm or to keep the plants operating. So let's look at California, which is not as far along, but is farther along than most of the United States. They have-

Bill Walton ([26:56](#)):

Well, but when you say ahead and far along, can we just define that a little bit?

Myron Ebell ([27:01](#)):

It's down. It's down. It's down. It's down.

Bill Walton ([27:04](#)):

Heading towards...

Myron Ebell ([27:07](#)):

Yes, it's down, and then you go off a cliff. But no, look, California has had a whole summer of blackout warnings. They got pretty lucky, they didn't have those blackouts. And yet California can draw on the entire Western grid whenever they need power. That's hydro power in the Northwest, it's solar panels in Arizona, windmills in Wyoming. So they have these threats of blackouts and they now have gasoline that's over \$6 a gallon. And so if you want to see what happens, what will be the next step in California, well, look at Europe. So we have the examples and we should be looking at them and learning from them and saying, "Hey, this can't possibly be the way forward. We have to rethink these policies." If you believe global warming is problem, let's look at some technologies that might actually work.

Bill Walton ([28:06](#)):

Well, just to do politics a bit, the Republicans have not been very good on this. It seems to me that if you've got polls which suggest that only 1% of voters, or I think all voters, and even 2% of Democrats think climate change is the biggest issue we face, it seems like with gas prices where they are and this extraordinary handout to the climate change industrial complex, there's a tremendous political issue here and we could take back and then one of the things I would set my sights on is cutting through the climate grip on Washington and freeing America up to be energy independent and in fact dominant.

Myron Ebell ([28:53](#)):

Yes. Well, of course that was the agenda pursued by Donald Trump when he ran for president and it's the one that he implemented when he was elected. We were energy dominant and in 2020 and 2019, the United States was the world's largest producer of oil and natural gas combined. And we were self-sufficient in energy that as we exported more total energy than we imported for the first time since 1957. So this was a tremendous success and it's all been undone by the Biden administration and the Democrats in Congress in less than really a year. They did it all in a year. So we are now faced with new obstacles to energy production in this country and new obstacles to using that energy, to burning it, coal, oil and natural gas, and it's raising costs, electric rates are going up, gasoline prices have gone up. And this is not a good look for a healthy America, for a prosperous America. And I think if you look at how the Republicans have responded, I think that President Trump had the right approach, which was aggressive and positive. We need affordable, abundant energy.

[\(30:17\)](#):

What the Republicans in Congress have done is a lot of them, particularly the leadership in the House and a few Republican senators, they talk light green. They concede the issue, they concede the problem, but they're unwilling. They're smart enough not to vote for these things, they all voted against the so-called Inflation Reduction Act with all of these subsidies, but they still want to talk a light green game because they've got some pollsters, and I won't name any names here, but I think you know who they are, who advising people like minority leader Kevin McCarthy and they're telling him, "Well, there's a certain class of suburban voters that we need to win back and they like the green talk." But when it comes down to it, they still don't vote for the green policies because they can see how disastrous they are. So they're conflicted and I think you're right, they would be better off making an aggressive, confident case for abundant, affordable energy because as you said, climate is down in the polls, climate change ranks close to last in every ranking that the public gives to pollsters on what they're concerned about. So I think you're absolutely right, but they just don't listen to us enough.

Bill Walton ([31:43](#)):

Well, they will. We're going to change that. Well, I promise you, I wouldn't take too much of your day. This has been fantastic. How about a final word except... I would like make one of the final words, we need to make this a politically toxic issue for the Democrats and I think we can make it a kitchen table pocketbook visceral issue for people that even though it sounds nice to be grained, it's wrecking America.

Myron Ebell ([32:13](#)):

Well, Bill, I think that's right and I think you see gas prices have sensitized people to these problems and that's why you're now seeing stories in the newspapers, I saw one just last week, saying, "Well, climate change may be the most important issue, but Democrats aren't talking about it on the campaign trail." Well, they're actually really smart. They want to reward their buddies and clients in the climate racket,

but they know that they're going to lose elections if they talk too much about it. So I think you're right, the Republicans could really make hay if they would make it an issue and push back against...

Bill Walton ([33:01](#)):

Well, let's... You and I know a lot of these people, so we've got... It's up to us. We got to step up.

Myron Ebell ([33:11](#)):

Well, yes.

Bill Walton ([33:12](#)):

Myron Ebell, head of the Center for Energy and Environment Competitive Enterprise Institute. It's fantastic talking with you. I won't give you the title, but I still think that you're probably the best thinker we've got on these issues and the political and the regulatory issues. And I'd certainly suggest everybody take a look at what's happening at CEI and the writings that Myron does and his whole team to get a good grasp on how we can win against this, I would say evil. So anyway, thanks for tuning in to The Bill Walton Show. As usual, you can find this show on all the major podcast platforms, YouTube, Rumble. We will be on CPAC Now next Monday night at seven o'clock. And thanks for joining and as always, send us your ideas to the website, the billwaltonshow.com, and we'll put them in the mix and hope we can bring them out for you later on. So anyway, thanks.

([34:15](#)):

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