



"The President says he wants new supplies of home-grown energy, but the government's actions suggest continuing hostility to oil drilling and nuclear power."

[An Energy Head Fake](#)

The Administration is still hostile to oil drilling and nuclear power.

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President Obama used his January State of the Union speech to promise "a new generation of safe, clean nuclear power plants" and "new offshore areas for oil and gas development." Judging by its recent decisions, we'd say his Cabinet hasn't received the memo.

Congress's ban on offshore drilling expired in September 2008, and a Bush Administration plan for leasing the energy-rich Outer Continental Shelf was due to begin this year. Yet within a month of taking office, Interior Secretary Ken Salazar halted leasing by extending the public comment period by six months. When that period ended last September, Interior said it would take "several weeks" to analyze the results. It has yet to release a summary.

Newt Gingrich's American Solutions group used the Freedom of Information Act to obtain Interior emails suggesting that the public comments ran 2-to-1 in favor of drilling. Instead of acknowledging this, Mr. Salazar last week informed Congress he was scrapping the Bush plan and that leasing will not begin for at least another two years.

The Administration failed to meet a deadline last month for submitting a court-ordered analysis of the environmental impact of new leases off the Alaskan coast. And in January, Mr. Salazar rebuffed Virginia's request—endorsed by its governor and legislature—to allow drilling offshore. Sensing a pattern?

Onshore, meanwhile, Interior canceled oil and gas leases on 77 parcels of federal land in Utah (a handful have since been reinstated). Mr. Salazar also yanked eight parcels from a lease sale in Wyoming. Several weeks ago a leaked Interior Department memo disclosed plans to have Mr. Obama use executive power—under the Antiquities Act—to designate 10 million acres of western land as "monuments," putting them off-limits to energy development as well as current timber or mining work.

As for nuclear power, Mr. Obama has promised an \$8.3 billion loan guarantee to build two nuclear reactors in Georgia. However, Mike Morris, the CEO of American Electric Power, explained at a recent Wall Street Journal energy conference that while loan guarantees were a "nice thing," they were meaningless in the absence of regulatory certainty.

Only five of 50 states have what Mr. Morris calls nuclear-friendly "enabling" legislation

that might convince corporate boards to commit capital to a long-term project. The federal Nuclear Regulatory Commission, despite adopting a streamlined licensing process in 2005, hasn't issued key rules.

The Administration also sent mixed signals last week by putting the kibosh on Yucca Mountain for nuclear waste disposal. Energy Secretary Steven Chu has convened yet another "blue ribbon" panel on nuclear waste, which will probably have the half-life of uranium. Companies are already suing the feds for failing to meet legal obligations to collect waste, and the end of Yucca is one more reason for utilities to avoid making large capital bets amid uncertain government policy.

The President says he wants new supplies of home-grown energy, but the government's actions suggest continuing hostility to oil drilling and nuclear power. GOP Senator Lindsey Graham of South Carolina has been promoting a deal in which Republicans would endorse cap and trade in return for Democrats agreeing to more oil drilling and more nuclear plants. He appears to be selling a bridge to nowhere.

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