

The Week That Was: 2013-04-06 (April 6, 2013)
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The Science and Environmental Policy Project

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Quote of the Week: *For example, if you're doing an experiment, you should report everything that you think might make it invalid — not only what you think is right about it; other causes that could possibly explain your results; and things you thought of that you've eliminated by some other experiment, and how they worked — to make sure the other fellow can tell they have been eliminated.* Richard Feynman, Cargo Cult Science, 1974

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Number of the Week: 2014

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April Fools: April is upon us, and it is time to hold the SEPP April Fools contest. Using the following criteria, readers are requested to submit their nomination of a government official or political leader along with a sentence or two why that person should be considered:

- The nominee has advanced, or proposes to advance, significant expansion of governmental power, regulation, or control over the public or significant sections of the general economy.
- The nominee does so by declaring such measures are necessary to protect public health, welfare, or the environment.
- The nominee declares that physical science supports such measures.
- The physical science supporting the measures is flimsy at best, and possibly non-existent.

The final selection will be determined by a special SEPP panel. The name of the winner will be emblazoned with names of other winners of the great SEPP trophy – The Jackson – a lump of coal. The first winner was (former) EPA administrator Lisa Jackson. Please submit your nomination to Ken@SEPP.org.

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THIS WEEK:

By Ken Haapala, Executive Vice President, Science and Environmental Policy Project (SEPP)

The New Hockey-Stick: The new hockey-stick produced by Shaun Marcott, et al, is quickly going the way of the old hockey-stick – leaving a lasting impression on the gullible, providing a warning about the use of mathematical techniques to adjust data, and demonstrating that the peer review process of its publisher is faulty. On Easter Sunday, on the alarmist web site, Real Climate, Marcott et al, posted a response to criticisms in the form of a summary and a list of frequently asked questions. The following quote is in the response.

“...20th century portion of our paleotemperature stack is not statistically robust, cannot be considered representative of global temperature changes, and therefore is not the basis of any of our conclusions.”

The response is not particularly satisfactory because it does not acknowledge the work of Steve McIntyre of Climate Audit, who did much of the heavy lifting in analyzing the treatment of the data, and the response does not address many of the questions he posed.

McIntyre's post, The Marcott Filibuster, is telling. Roger Pielke Jr provides an excellent summary of this sorry episode, and how to begin to repair the damage that it brings into question including the scientific integrity of the Climate Establishment. On Climate Etc, Judith Curry offers prudent advice for all concerned.

Perhaps the new editor of Science will address the issue of sloppy peer review. As noted by former Czech President Vaclav Klaus, there are many excellent bloggers, some with highly advanced mathematical skills, who are willing to devote their time to insist on scientific integrity. Times have change, so should the editors of scientific journals. Please see links under The New Hockey-Stick and Other News that May Be of Interest.

Data Smoothing: On Number Watch, John Brignell, who devoted his career to measurement in science and engineering, discusses some of the problems associated with attempts to use various mathematical techniques to remove noise from messy data. (Such as that done by both Michael Mann and Marcott, et al.)

“Here are some simple rules for those who are not sure of their understanding of signal theory (both continuous and discrete):

1. Use only simple procedures whose effects are well understood.
2. Do not try to invent new smoothing procedures (unless it is your intention to mislead). All the trustworthy ones have been tried (to say nothing of even more of the other sort).
3. Never trust anyone who purports to have invented a new smoothing process.
4. Never trust anyone who purports to predict the future by means of a smoothing process (or, indeed. any other sort).”

Some may consider his rules a bit extreme, but they serve as a guide. Underlying all this is the need to keep original data in case faulty techniques are applied. Brignell further states: “It requires hubris of Mannian proportions for an amateur mathematician to propose a method of smoothing and extrapolation of noisy evolutive processes.” Please see link under Measurement Issues.

Hypothesis Testing or Cherry Picking?: In his presentation to a science group on Monday, Fred Singer announced he would do a bit of testing of the climate models and the hypothesis that human emissions of carbon dioxide (CO₂) are causing unprecedented and dangerous global warming (Anthropogenic Global Warming (AGW)). He presented that there has been no atmospheric warming trend for a decade and no surface warming trend for at least 15 years. In addition, he presented the entire satellite record that shows warming in predominant in the northern part of the Northern Hemisphere with little or no warming elsewhere, and even cooling over the Antarctic.

A popular TV meteorologist accused Singer of Cherry Picking. Apparently, this meteorologist does not understand the distinction between hypothesis advocacy and hypothesis testing. When a hypothesis is advanced, the proponent uses data supporting it. He should consider all the data. If the proponent excludes well known data that contradicts the hypothesis, he is engaged in hypothesis advocacy and cherry picking.

To be accepted, a hypothesis must explain all the relevant data. In hypothesis testing, one seeks significant data that contradicts the hypothesis. If it does, the hypothesis must be rejected or

modified. Unfortunately, the accusation of cherry picking is all too frequently used by proponents of AGW against skeptics. Please see Quote of the Week.

Shift in Intertropical Convergence Zone?: A new paper projects a shift in rainfall patterns from the increased difference temperatures between the hemispheres due to amplified warming at and near the Arctic (as stated above). It is generally accepted that CO2 is well mixed in the atmosphere, so there is no basis to assume the amplified warming is from CO2. The paper also asserts a further northward shift in the tropical rain belt (Intertropical Convergence Zone) if the warming difference continues.

The Northern Hemisphere was warmer than today during Holocene Climate Optimum – about 8 to 5 thousand years ago. It is not clear if there was a pronounced difference between the hemispheres. As H.H. Lamb discussed in his classic, **Climate, History and the Modern World**, during that period the Sahara was wet and supported animals such as crocodiles etc. As the Northern Hemispheric cooled, these areas dried. As discussed in prior TWTWs, Lamb’s work is supported by more recent archeological work in the Sahara and the Indus plateau. Are we witnessing nature causing a shift in rainfall patterns as she had done before? Please see links under Changing Climate.

Declining Threat: Clifford Ollier, Professor at the School of Earth and Environmental Studies, The University of Western Australia, has authored an excellent review of the deficiencies of climate science and the decline in threat of any dangerous AGW. Among them, many of those who predict significant sea level rise have failed to grasp the shape of the land masses under Greenland and Antarctica, which are essentially bowls. The danger of rapid, massive ice slides are no greater than the danger of ice cubes melting in a bowl suddenly sliding over the rim onto the floor. It may be nitpicking, but Ollier’s comment on Arctic ice extent probably should apply to polar ice extent, both Arctic and Antarctic. Please see link under Challenging the Orthodoxy.

Freeman Dyson: In an interview, Freeman Dyson, the man who succeeded Einstein at Princeton, once again expressed his skepticism of the science advanced by the Climate Establishment and its focus on climate models. Please see link under Challenging the Orthodoxy.

Agnotology: According to a paper by Legates, Soon, and Briggs, “Agnotology has been defined in a variety of ways including ‘the study of ignorance and its cultural production’ and ‘the study of how and why ignorance or misunderstanding exists.’” The authors assert that it has been posited to deliberately apply agnotology to the teaching of climate science. Please see link under Expanding the Orthodoxy.

James Hansen: On April Fools’ Day, James Hansen announced his retirement from NASA—GISS, stating this action will allow him to sue the government over global warming issues. Now that the most popular scientist advocating global warming alarmism is gone, perhaps the Goddard Institute of Space Studies will begin to focus on earth’s atmospheric temperatures as measured by space satellites rather than those measured on the earth’s surface. Please see links under James Hansen.

Keystone XL: A pipeline carrying oil from Canadian oil sands ruptured and briefly spilled its contents in Arkansas. Immediately, the environmental industry started claiming this is an example

of what will occur if the Keystone XL pipeline is built. According to reports, the pipeline was constructed in 1947. The environmental industry will have us believe that there have been no improvements in pipeline technology, safety, and construction standards over the last 66 years. The event will give Jim Hansen more opportunity to keep occupied by protesting progress. Please see Article # 4 and links under Washington's Control of Energy and Oil Spills, and Gas Leaks & Consequences.

Fossil Fuel Subsidies: Connie Hedegaard, the EU Commissioner for Climate Action, has an essay demanding that countries stop subsidizing fossil fuels. She states: "According to the IEA, fossil-fuel subsidies rose by almost 30%, to \$523 billion, in 2011. Meanwhile, the UN Environment Program reports that global investment in renewable energy totaled only \$257 billion in 2011."

Ms Hedegaard fails to state that the IEA study she cites shows the vast bulk of fossil fuel subsidies occur in developing countries, not in developed Western nations. In descending order, the five countries with the greatest fossil fuel subsidies are: Iran, Saudi Arabia, Russia, India and China. The omission is all too typical among Western green bureaucrats and Ms. Hekegaard's logic is far from daunting. Should a western country subsidize expensive, unreliable wind and solar because Iran subsidizes gasoline? Please see Article # 3 and link under Communicating Better to the Public – Exaggerate, or be Vague?

Wind Power Subsidies: The CEO of a Texas Wind Power company wrote an article protesting Federal subsidies, which he claims are derogating the efficiency of wind power. He points out that the 2009 stimulus bill gave wind farms the choice of a subsidy based on production or a subsidy based on cost of the project. Most are taking the subsidy based on cost. Thus, wind farms are being built in locations that really do not support them, and overall efficiency is declining. "If our communities can't reasonably afford to purchase and rely on the wind power we sell, it is difficult to make the moral case for our businesses, let alone an economic one." Please see Article #2

Auto Loans: Over a Billion dollars in the 2009 stimulus bill were used to make loans to new electric automobile companies and their suppliers. One company, Tesla Motors, which received \$465 million, has announced it will make a profit this quarter and may eventually pay off the loan. Hidden in the good news is that the least expensive model starts at \$62,400 and quickly goes up from there. It was unclear if the price was calculated before or after the \$7,500 Federal tax credit.

The second automobile, Fisker, announced a major layoff of US employees. It appears to be going bankrupt. The loans it received from the US government and loans and grants from the state of Delaware, courtesy of Vice President Biden, appear to be in jeopardy. It is difficult to understand how subsidizing electric toys for the wealthy promotes general prosperity. Please see links under Alternative, Green ("Clean") Vehicles.

Number of the Week: 2014. That is the year OPEC projects that the imports of oil by China will exceed the imports of oil by the US. Oil consumption in China is growing significantly. Oil production in the US is replacing imported oil. When the shift occurs, no doubt the Administration and many in Washington will take credit. However, the Administration and many

in Washington have stridently tried to suppress oil production. Hydraulic fracturing for oil came in under Washington's radar. Please see link under Energy Issues – Non-US.

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ARTICLES:

For the numbered articles below please see this week's TWTW at: www.sepp.org. The articles are at the end of the pdf.

1. Impoverishing Climate Alarmism at the New York Times

S. Fred Singer, American Thinker, Apr 2, 2013

http://www.americanthinker.com/blog/2013/04/impoverishing_climate_alarmism_at_the_new_york_times.html

[SEPP Comment: Submitted, but not published by the NYT.]

2. Wind-Power Subsidies? No Thanks.

I'm in the green-energy business. If Washington sent a little less 'green' our way, it would be good for the industry.

By Patrick Jenevein, WSJ, Apr 1, 2013

http://online.wsj.com/article/SB10001424127887323501004578386501479255158.html?mod=W_SJ_Opinion_LEADTop

3. About Those Tax Breaks for Big Oil . . .

The attack line about 'special' deals for the industry doesn't stand up to scrutiny.

By Merrill Matthews, WSJ, Apr 2, 2013 [H/t Timothy Wise]

http://online.wsj.com/article/SB10001424127887324789504578380684292877300.html?mod=W_SJ_Opinion_LEADTop

4. A Tale of Two Oil Spills

Greens fret over pipeline leaks but are mute about train derailments.

Editorial, WSJ, Apr 2, 2013

http://online.wsj.com/article/SB10001424127887323296504578396850749052848.html?mod=W_SJ_Opinion_LEADTop

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NEWS YOU CAN USE:

Challenging the Orthodoxy

Climatologists are no Einsteins, says his successor

By Paul Mulshine, New Jersey Star Ledger, Apr 4, 2013 [H/t GWPF]

http://blog.nj.com/njv_paul_mulshine/2013/04/climatologists_are_no_einstein.html

Global Warming and Climate Change: Science and Politics

By Cliff Ollier, Quaestiones Geographicae 32(1), Feb 2, 2013 [H/t NCTCS]

<http://geoinfo.amu.edu.pl/qg/current/quageo-2013-0008.pdf>

Why Climate Feedbacks Cannot be Regional

By Roy Spencer, His Blog, Mar 30, 2013

<http://www.drroyspencer.com/2013/03/why-climate-feedbacks-cannot-be-regional/>

Russian Scientists Warn Global Temperatures To Fall 1.5°C By 2050. Strong Doubts About Warming

By P. Gosselin, No Tricks Zone, Apr 5, 2013

<http://notrickszone.com/2013/04/05/russian-scientist-warns-global-temperatures-to-fall-1-5c-by-2050-and-global-cooling-refuges/>

Ex-professor tells senators climate data manipulated

By Staff Writers, ICECAP, Apr 3, 2013

http://icecap.us/index.php/go/joes-blog/ex_professor_tells_senators_climate_data_manipulated/

Dispelling myths about global warming

CO2 did not drive the rapid warming of the 20th century.

By Stan Robertson, WUWT, Mar 25, 2013

<http://wattsupwiththat.com/2013/03/25/dispelling-myths-about-global-warming/>

Defending the Orthodoxy

Lord Nicholas Stern says low-carbon economy will foster growth, reduce poverty

Transcript By Staff Writer, EETV, Apr 4, 2013

<http://www.eenews.net/tv/transcript/1659>

Questioning the Orthodoxy

Environment Canada's Ignorance Guarantees Political Climate Science And Wrong Policy.

By Tim Ball, A Different Perspective, Apr 3, 2013

<http://drtimball.com/2013/environment-canadas-ignorance-guarantees-political-climate-science-and-wrong-policy/>

Climate Change Endgame In Sight?

By Steven Hayward, Power Line, Mar 29, 2013

<http://www.powerlineblog.com/archives/2013/03/climate-change-endgame-in-sight.php>

Government's climate watchdog launches astonishing attack on the Mail on Sunday... for revealing global warming science is wrong

By David Rose, Mail, UK, Mar 30, 2013

<http://www.dailymail.co.uk/news/article-2301757/Governments-climate-watchdog-launches-astonishing-attack-Mail-Sunday--revealing-global-warming-science-wrong.html>

Rupert Wyndham ponders the wanton hypocrisy of Paul Nurse and The Royal Society

By Jo Nova, Her blog, Apr 6, 2013

<http://joannenova.com.au/2013/04/rupert-wyndham-takes-on-paul-nurse-and-the-royal-society/>

Warm and well fed, or hungry in the dark?

By Viv Forbes, American Thinker, Apr 2, 2013

http://www.americanthinker.com/2013/04/warm_and_well_fed_or_hungry_in_the_dark.html

The very model of a modern climate scientist

By John McLean, Quadrant, Apr 3, 2013

<http://www.quadrant.org.au/blogs/doomed-planet/2013/04/the-very-model-of-a-modern-climate-scientist>

Meet the New Climate Deniers

By Rich Lowry, NY Post, Apr 2, 2013 [H/t Deke Forbes]

http://www.nypost.com/p/news/opinion/opedcolumnists/meet_the_new_climate_deniers_1cQr5QZJ5NMvH7rCFKPJyK

Global Warming? Oops! Never Mind!

By Jonathon Moseley, American Thinker, Apr 1, 2013

http://www.americanthinker.com/2013/04/global_warming_oops_never_mind.html

Global Warming's "Fatal Conceit"

By Richard Rahn, Real Clear Politics, Apr 3, 2013

http://www.realclearpolitics.com/articles/2013/04/03/global_warmings_fatal_conceit_117767.html

Questioning European Green

Dying of the cold: a very British disease

By Fraser Nelson, Spectator, Mar 30, 2013

<http://blogs.spectator.co.uk/coffeehouse/2013/03/dying-of-the-cold-a-very-british-disease/>

Wind skeptic British minister replaced

By Staff Writers, London (UPI), Apr 3, 2013

http://www.winddaily.com/reports/Wind_skeptic_British_minister_replaced_999.html

[SEPP Comment: The current price of honesty.]

The shaky foundations of renewable energy policy

By Martin Livermore, Scientific Alliance, Apr 5, 2013

<http://www.scientific-alliance.org/scientific-alliance-newsletter/shaky-foundations-renewable-energy-policy>

Germans Give Away Green Electricity Worth 3 Billion Euros

By Jan Schafer, Bild, Trans by Philipp Mueller, GWPF, Apr 4, 2013

<http://www.thegwpf.org/germans-give-green-electricity-worth-3-billion-euros/>

[SEPP Comment: Buy high, sell low – green power way.]

The tech fix

By Andrew Montford, Bishop Hill, Mar 31, 2013

<http://bishophill.squarespace.com/blog/2013/3/31/the-tech-fix.html>

[SEPP Comment: If the goal is to reduce carbon dioxide emissions, then spending money on research and development of reliable alternatives is far more sensible than spending huge sums on deployment of expensive and unreliable wind.]

The Cost of Green Energy Topples the Government in Bulgaria

By Tory Aardvark, His Blog, Mar 29, 2013 [H/t GWPF]

<http://toryaardvark.com/2013/03/29/the-cost-of-green-energy-topples-the-government-in-bulgaria/>

Questioning Green Elsewhere

The End of Energy as We Know It... In Three Graphs

By Blake Clayton, Council on Foreign Relations, Mar 29, 2013 [H/t GWPF]

<http://blogs.cfr.org/levi/2013/03/29/the-end-of-energy-as-we-know-it-in-three-graphs/>

Jobs and junkets are on the line. Abbott could axe Flannery and the climate commission

By Jo Nova, Her Blog, Apr 4, 2013

<http://joannenova.com.au/2013/04/jobs-and-junkets-are-on-the-line-abbott-could-axe-flannery-and-the-climate-commission/#more-27907>

It's Not Easy Being Green

As climate change worsens, the internal strains in the environmentalist movement are starting to show.

By Jason Mark, American Prospect, Apr 2, 2013

<http://prospect.org/article/its-not-easy-being-green-0>

Climythyology

By Peter Smith, Quadrant, Apr 5, 2013

<http://www.quadrant.org.au/blogs/qed/2013/04/climythyology>

Expanding the Orthodoxy

Learning and Teaching Climate Science: The Perils of Consensus Knowledge Using Agnotology

By David Legates, Willie Soon, William Briggs, Science and Education, March 2013 [H/t SPPI]

<http://link.springer.com/article/10.1007/s11191-013-9588-3>

Trouble in the Orthodoxy

Global warming: time to rein back on doom and gloom?

Climate change scientists acknowledge that the decline in rapid temperature increases is a positive sign

By Geoffrey Lean, Telegraph, UK, Apr 5, 2013 [H/t Bishop Hill]

<http://www.telegraph.co.uk/earth/environment/globalwarming/9974397/Global-warming-time-to-rein-back-on-doom-and-gloom.html>

Merkel Losing Allies in \$700 Billion Shift to Renewables

By Stefan Nicola and Tino Andersen, Bloomberg, Apr, 5, 2013 [H/t Anne Debeil]

<http://www.businessweek.com/news/2013-04-04/merkel-losing-allies-in-700-billion-shift-to-renewable-energy>

Full retreat?

By Andrew Montford, Bishop Hill, Apr 5, 2013

<http://bishophill.squarespace.com/blog/2013/4/5/full-retreat.html>

James Hansen

James Hansen: Responsible Scientist and Advocate

By Roger Pielke Jr, His Blog, Apr 2, 2013

<http://rogerpielkejr.blogspot.com/2013/04/james-hansen-responsible-scientist-and.html>

In a new study, James Hansen pushes nuclear power as saving more lives than it has harmed

Posted by Anthony Watts, WUWT, Apr 2, 2013

<http://wattsupwiththat.com/2013/04/02/james-hansen-pushes-nuclear-power-as-saving-more-lives-than-it-has-harmed-with-new-study/>

Climate Maverick to Retire From NASA

By Justin Gillis, NYT, Apr 1, 2013 [H/t Bud Bromley]

http://www.nytimes.com/2013/04/02/science/james-e-hansen-retiring-from-nasa-to-fight-global-warming.html?_r=0

[SEPP Comment: Typical NYT. Hansen has been a global warming promoter and a critical part of the Climate Establishment, not a maverick.]

James Hansen, climate activist, is retiring from NASA

By Juliet Eilperin, Washington Post, Apr 1, 2013 [H/t Timothy Wise]

http://www.washingtonpost.com/national/health-science/james-hansen-climate-activist-is-retiring-from-nasa/2013/04/01/50cf30ee-9b32-11e2-9a79-eb5280c81c63_story.html

Exit Jim Hansen: NASA's Hot-Air Scientist Cashes In

Editorial, Washington Times, Apr 4, 2013

<http://www.washingtontimes.com/news/2013/apr/4/exit-jim-hansen/>

Seeking a Common Ground

Planetary Boundaries as Power Grab

By Roger Pielke Jr, His Blog, Apr 4, 2013

<http://rogerpielkejr.blogspot.com/2013/04/planetary-boundries-as-power-grab.html>

[SEPP Comment: Is the anthropocene a new geological epoch or an authoritarian power grab based on shoddy science?]

Communicating Better to the Public – Exaggerate, or be Vague?

Stop Paying the Polluters

By Connie Hedegaard, Project Syndicate, Apr 5, 2013

<http://www.project-syndicate.org/commentary/ending-fossil-fuel-subsidies-by-connie-hedegaard>

Link to summary of the IEA study: <http://www.instituteforenergyresearch.org/2011/11/23/iea-review-shows-many-developing-countries-subsidize-fossil-fuel-consumption-creating-artificially-lower-prices/>

Federal study: Global warming means stronger ‘extreme’ rains

By Ben Geman, The Hill, Apr 4, 2013

<http://thehill.com/blogs/e2-wire/e2-wire/291867-federal-study-global-warming-means-stronger-extreme-rains>

Link to paper: Probable maximum precipitation (PMP) and climate change

By Kunkel, Karl, et al, Geophysical Research Letters, No date

<http://onlinelibrary.wiley.com/doi/10.1002/grl.50334/abstract>

[SEPP Comment: But NCDC-NOAA's own data on atmospheric humidity contradict these modeling studies]

Communicating Better to the Public – Make things up.

What does it mean when a climate model gets it right?

By Roz Pidcock, Carbon Brief, Apr 3, 2013

<http://www.carbonbrief.org/blog/2013/04/what-does-it-mean-when-a-climate-model-gets-it-exactly-right>

Link to paper: Test of a decadal climate forecast

Myles R. Allen, John F. B. Mitchell & Peter A. Stott, Nature Geoscience, Mar 27, 2013

<http://www.nature.com/ngeo/journal/v6/n4/full/ngeo1788.html>

[SEPP Comment: Is decadal averaging the new rage?]

The Meltdown Of Global Warmists Reveals Their True Priorities

By James Taylor, Forbes, Mar 28, 2013

<http://www.forbes.com/sites/jamestaylor/2013/03/28/the-meltdown-of-global-warmists-reveals-their-true-priorities/>

Lewandowsky paper ‘provisionally removed’ due to complaints

By Anthony Watts, WUWT, Apr 3, 2013

<http://wattsupwiththat.com/2013/04/03/lewandowsky-paper-provisionally-removed-due-to-complaints/>

[SEPP Comment: Maybe some skeptics of dangerous AGW believe the lunar landing took place after all.]

Globalization, Climate Change, and Human Health

Anthony J. McMichael, M.B., B.S., Ph.D., New England Journal of Medicine, Apr 5, 2013

<http://www.nejm.org/doi/full/10.1056/NEJMra1109341>

[SEPP Comment: Total bunk!]

Comedy climate

By Andrew Montford, Bishop Hill, Apr 3, 2013

<http://bishophill.squarespace.com/blog/2013/4/3/comedy-climate.html>

The New Hockey-Stick

The Marcott Filibuster

By Steve McIntyre, Climate Audit, Mar 31, 2013

<http://climateaudit.org/2013/03/31/the-marcott-filibuster/>

We're not screwed?

By Ross McKittrick, Financial Post, Apr 1, 2013 [H/t GWPF]

<http://opinion.financialpost.com/2013/04/01/were-not-screwed/>

Fixing the Marcott Mess in Climate Science

By Roger Pielke Jr, His Blog, Mar 31, 2013

<http://rogerpielkejr.blogspot.co.uk/2013/03/fixing-marcott-mess-in-climate-science.html>

Marcott issues a FAQ on their paper

By Anthony Watts, WUWT, Mar 31, 2013

<http://wattsupwiththat.com/2013/03/31/marcott-issues-a-faq-on-thei-paper/>

The Marcott gong show – before in the unquestioning press and after the blogosphere review as told by Ross McKittrick

By Anthony Watts, WUWT, Apr 1, 2013

<http://wattsupwiththat.com/2013/04/01/the-marcott-gong-show-before-in-the-unquestioning-press-and-after-the-blogosphere-review-as-told-by-ross-mckitrick/>

Lies, damned lies and hockey sticks

The exposure of yet another dodgy piece of climate-change alarmism shows the need for serious scepticism.

By Rob Lyons, Spiked, Apr 3, 2013 [H/t Joe Bast]

<http://www.spiked-online.com/site/article/13498>

April Fools' Day for Marcott et al

By Steve McIntyre, Climate Audit, Apr 2, 2013

<http://climateaudit.org/2013/04/02/april-fools-day-for-marcott-et-al/#more-17666>

We're not screwed (?)

By Judith Curry, Climate Etc, Apr 2, 2013

<http://judithcurry.com/2013/04/02/were-not-screwed/#more-11430>

Measurement Issues

Smoothing the path to nonsense

By John Brignell, Number Watch, Apr 4, 2013

<http://www.numberwatch.co.uk/2013%20April.htm>

[See top of page]

Changing Weather

Second snowiest snow season for the Northern Hemisphere on record (3 of the top 5 in last 4 years)

By Joseph D'Aleo, ICECAP, Apr 3, 2013

[http://icecap.us/index.php/go/in-the-news/second-snowiest-snow-season-for-the-northern-hemisphere-on-record-3-of-the- /](http://icecap.us/index.php/go/in-the-news/second-snowiest-snow-season-for-the-northern-hemisphere-on-record-3-of-the-/)

East German March 2013 Coldest In 130 Years. “Dramatic Temperature Deviations” All The Way To Siberia!

By P. Gosselin, No Tricks Zone, Apr 3, 2013 [H/t GWPF]

<http://notrickszone.com/2013/04/03/east-german-march-2013-coldest-in-130-years-dramatic-temperature-deviations-all-the-way-to-siberia/>

Lockwood’s “Dubious” Solar Activity/Central-European Climate Correlation Now Confirmed By 5 Winters In A Row!

By P. Gosselin, No Tricks Zone, Apr 1, 2013

<http://notrickszone.com/2013/04/01/lockwoods-dubious-solar-activitycentral-europe-climate-correlation-now-confirmed-by-5-winters-in-a-row/>

Snowdon now and then

By Andrew Montford, Bishop Hill, Mar 30, 2013

<http://bishophill.squarespace.com/blog/2013/3/30/snowdon-now-and-then.html>

[SEPP Comment: From snow vanishing to 30 ft (9.1m) snow drifts.]

Matt Ridley's diary: My undiscovered island, and the Met Office's computer problem

By Matt Ridley, Spectator, UK, Apr 6, 2013

<http://www.spectator.co.uk/the-week/diary/8880591/diary-603/>

Changing Climate

Temperature difference between hemispheres could shift rainfall patterns

By Robert Sanders for Berkeley News, Berkeley CA (SPX) Apr 04, 2013

http://www.terraily.com/reports/Temperature_difference_between_hemispheres_could_shift_rainfall_patterns_999.html

Link to paper: Interhemispheric temperature asymmetry over the 20th century and in future projections

By Friedman, et al, Journal of Climate, No Date

<http://journals.ametsoc.org/doi/abs/10.1175/JCLI-D-12-00525.1>

Changing Seas

Global Microwave Sea Surface Temperature Update for March, 2013: -0.01 deg. C

By Roy Spencer, His Blog, Apr 2, 2013

<http://www.drroyspencer.com/2013/04/global-microwave-sea-surface-temperature-update-for-march-2013-0-01-deg-c/>

Rising up to prepare for sea level rise

By Nancy Schneider, Kingston NY (SPX), Apr 03, 2013

http://www.terraily.com/reports/Rising_up_to_prepare_for_sea_level_rise_999.html

[SEPP Comment: A sea level rise of over 4 feet (1.3 m) by the end of the century?]

'A better path' toward projecting, planning for rising seas on a warmer Earth

By Morgan Kelly for Princeton News, Princeton NJ (SPX), Apr 04, 2013

http://www.terraily.com/reports/A_better_path_toward_projecting_planning_for_rising_seas_on_a_warmer_Earth_999.html

Changing Cryosphere – Land / Sea Ice

Weather, not climate, caused the brief surface melt in Greenland last summer

By Anthony Watts, WUWT, Apr 3, 2013

<http://wattsupwiththat.com/2013/04/03/weather-not-climate-caused-the-brief-surface-melt-in-greenland-last-summer/>

Thinning Arctic Ice; More Al Gore Aided and Abetted Misinformation?

By Tim Ball, A Different Perspective, Apr 2, 2013

<http://drtimball.com/2013/thinning-arctic-ice-more-al-gore-aided-and-abetted-misinformation/>

2013 Wintertime Arctic Sea Ice Maximum Fifth Lowest on Record

By Maria-Jose Vinas for Goddard Space Flight Center, Greenbelt MD (SPX) Apr 05, 2013

Changing Earth

Ancient climate questions could improve today's climate predictions

By Staff Writers, San Francisco CA (SPX), Apr 04, 2013

http://www.terraily.com/reports/Ancient_climate_questions_could_improve_todays_climate_predictions_999.html

Link to paper: Patterns and mechanisms of early Pliocene warmth

By A. V. Fedorov, C. M. Brierley, K. T. Lawrence, Z. Liu, P. S. Dekens & A. C. Ravelo, Nature, Apr 3, 2013

<http://www.nature.com/nature/journal/v496/n7443/full/nature12003.html>

Agriculture Issues & Fear of Famine

Increased Farm Productivity Returns Farmland to Nature

By Staff Writers, NCPA, Apr 3, 2013

http://www.ncpa.org/sub/dpd/index.php?Article_ID=23021&utm_source=newsletter&utm_medium=email&utm_campaign=EnvPD

Link to detailed report: "Peak Farmland?"

By Ronald Bailey, Reason Magazine, Mar 22, 2013

http://www.ncpa.org/sub/dpd/index.php?Article_ID=23021&utm_source=newsletter&utm_medium=email&utm_campaign=EnvPD

Review of Recent Scientific Articles by NIPCC

For a full list of articles see www.NIPCCreport.org

Seasonal Flow Regimes of UK Rivers

Reference: Hannaford, J. and Buys, G. 2012. Trends in seasonal river flow regimes in the UK. *Journal of Hydrology* 475: 158-174.

<http://www.nipccreport.org/articles/2013/apr/2apr2013a1.html>

Desert Plants in a Warming World of More Variable Precipitation

Reference: Salguero-Gomez, R., Siewert, W., Casper, B.B. and Tielborger, K. 2012. A demographic approach to study effects of climate change in desert plants. *Philosophical Transactions of the Royal Society B* 367: 3100-3114

<http://www.nipccreport.org/articles/2013/apr/2apr2013a2.html>

More Problems with Decadal Climate-Model Prediction Skills

Reference: Guemas, V., Doblas-Reyes, F.J., Lienert, F., Soufflet, Y. and Du, H. 2012. Identifying the causes of the poor decadal climate prediction skill over the North Pacific. *Journal of Geophysical Research* 117: 10.1029/2012JD018004.

<http://www.nipccreport.org/articles/2013/apr/3apr2013a1.html>

On the Road to Predicting Changes in the Asian Summer Monsoon

Reference: Zhang, H., Liang, P., Moise, A. and Hanson, L. 2012. Diagnosing potential changes in Asian summer monsoon onset and duration in IPCC AR4 model simulations using moisture and wind indices. *Climate Dynamics* 39: 2465-2486.

<http://www.nipccreport.org/articles/2013/apr/3apr2013a3.html>

The Political Games Continue

The Coming Global Warming Voter Backlash

By Jonathon Moseley, American Thinker, Apr 4, 2013

http://www.americanthinker.com/2013/04/the_coming_global_warming_voter_backlash.html

Litigation Issues

Groups sue EPA for top officials' instant-message records

By Ben Geman, The Hill, Apr 2, 2013

<http://thehill.com/blogs/e2-wire/e2-wire/291477-groups-sue-epa-for-top-officials-instant-message-records>

Cap-and-Trade and Carbon Taxes

Carbon taxes offer economic pain for little to no environmental gain

By Kenneth Green, Financial Post, Apr 5, 2013

<http://opinion.financialpost.com/2013/04/04/carbon-taxes-pain-for-no-benefit/>

UK businesses warn on emissions tax

By Pilita Clark, Financial Times, UK, Mar 31, 2013

<http://www.ft.com/intl/cms/s/0/852306da-9700-11e2-8950-00144feabdc0.html#axzz2PFOppus2>

EPA and other Regulators on the March

EPA rules over all

The agency gets an assist from its groupies

Editorial, Washington Times, Apr 2, 2013

<http://www.washingtontimes.com/news/2013/apr/2/epa-rules-over-all/>

Study: EPA rules will fuel shift away from coal

By Ben Geman, The Hill, Apr 5, 2013

<http://thehill.com/blogs/e2-wire/e2-wire/292047-study-epa-rules-will-fuel-shift-away-from-coal>

Energy Issues – Non-US

European industry flocks to U.S. to take advantage of cheaper gas

By Michael Birnbaum, Washington Post, Apr 1, 2013

http://www.washingtonpost.com/world/europe/european-industry-flocks-to-cheap-us-gas/2013/04/01/454d06ea-8a2c-11e2-98d9-3012c1cd8d1e_story.html

China to Surpass U.S. as World's Top Crude Importer, OPEC Says

By Asjlynn Loder, Bloomberg, Apr 2, 2013

<http://www.bloomberg.com/news/2013-04-02/china-to-surpass-u-s-as-world-s-top-crude-importer-opec-says.html>

Energy Issues -- US

America Can Drill Its Way Out Of The Middle East

Editorial, IBD, Apr 1, 2013

<http://news.investors.com/ibd-editorials/040113-649976-us-should-start-independent-north-american-oil-market.htm>

US carbon emissions drop as gas displaces coal

By Ben Geman, The Hill, Apr 5, 2013

<http://thehill.com/blogs/e2-wire/e2-wire/292083-us-carbon-emissions-drop-as-gas-displaces-coal>

[SEPP Comment: The decline in CO2 emissions started in 2007 when natural gas prices were high.]

Washington's Control of Energy

Pipeline or Not, Lots of Canadian Crude Oil is Headed to the US

By Marita Noon, Energy Tribune, Apr 1, 2013

<http://www.energytribune.com/75401/pipeline-or-not-lots-of-canadian-crude-oil-is-headed-to-the-us>

The Tar Sands Disaster

By Thomas Homer-Dixon, NYT, Mar 31, 2013

<http://www.nytimes.com/2013/04/01/opinion/the-tar-sands-disaster.html>

[SEPP Comment: Urging the administration to deny the Keystone pipeline designed to bring oil from Canada to US gulf refineries, claiming such a denial will benefit Canada.]

Pipelines and Pipe Dreams

By Debra Saunders, Real Clear Politics, Apr 4, 2013

http://www.realclearpolitics.com/articles/2013/04/04/pipelines_and_pipe_dreams_117787.html

Keystone pipeline

Obama should link approval to new climate change efforts

Editorial, Financial Times, UK, Apr 4, 2013

<http://www.ft.com/intl/cms/s/0/4582b740-9d32-11e2-88e9-00144feabdc0.html#axzz2PWkXvINz>

Oil and Natural Gas – the Future or the Past?

Peak Oil Cult Is Proved Spectacularly Wrong

By Robert Bryce, IBD, Apr 1, 2013

<http://news.investors.com/ibd-editorials-viewpoint/040113-649947-peak-oil-cult-is-proved-spectacularly-wrong.htm>

Gas extracted by fracking in Britain could fuel British homes within three years

Energy chief believes controversial method will safeguard supply

By Jonathan Brown, Independent, UK, Apr 1, 2013 [H/t GWPF]

<http://www.independent.co.uk/news/uk/home-news/gas-extracted-by-fracking-in-britain-could-fuel-british-homes-within-three-years-8556130.html>

New Report Claims Shale Fracking Is Not a Factor in Earthquakes

By Steven Hugill, Northern Echo, from GWPF, Apr 4, 2013

<http://www.thegwpf.org/report-claims-shale-fracking-factor-earthquakes/>

Israel's Rise to Energy Superpower Under Way

By Peter C Glover and Michael J. Economides, Energy Tribune, Apr 4, 2013
<http://www.energytribune.com/75537/israels-rise-to-energy-superpower-under-way>
[SEPP Comment: Part 1 of a 3 part series. Perhaps overly optimistic about results.]

Return of King Coal?

Outside View: Coal exports save lives

By Tom Tanton, Lincoln, Calif. (UPI) Apr 4, 2013
http://www.energy-daily.com/reports/Outside_View_Coal_exports_save_lives_999.html

Oil Spills, Gas Leaks & Consequences

Three years after BP oil spill, USF research finds massive die-off

By Craig Pittman, Tampa Bay Times, Apr 4, 2013
<http://www.tampabay.com/news/environment/water/gulf-oil-spill-killed-millions-of-microscopic-creatures-at-base-of-food/2113157>
[SEPP Comment: In deep trenches.]

A useful pipeline spill in Arkansas

By Wesley Pruden, Pruden & Politics, Apr 5, 2013
http://www.prudenpolitics.com/node/2906?utm_source=P&P%20Auto%201&utm_medium=email&utm_campaign=6812

Pipeline Spills Stir New Criticism of Keystone Plan

By Dan Frosch, NYT, Apr 2, 2013
<http://www.nytimes.com/2013/04/03/us/pipeline-spills-stir-new-criticism-of-keystone-proposal.html?hp&r=0>

Methane leaks are undermining the shale-gas boom. Here's how to fix that

By Brad Plumer, Washington Post, Apr 4, 2013
<http://www.washingtonpost.com/blogs/wonkblog/wp/2013/04/04/methane-leaks-are-undermining-the-shale-gas-boom-heres-how-to-fix-it/>
[SEPP Comment: First place to start: is the methane concentration in the atmosphere increasing or decreasing?]

Nuclear Energy and Fears

Westinghouse announces successful setting of AP1000 containment vessel top head at China's Haiyang Unit 1

By Staff Writers, Beijing, China (SPX), Apr 03, 2013
http://www.nuclearpowerdaily.com/reports/Westinghouse_announces_successful_setting_of_API1000_containment_vessel_top_head_at_Chinas_Haiyang_Unit_1_999.html

Small fast reactor simulator commissioned

By Staff Writer, WNN, Mar 27, 2013
http://www.world-nuclear-news.org/NN-SVBR100_simulator_commissioned-2703134.html
[SEPP Comment: In Russia.]

Alternative, Green ("Clean") Solar and Wind

Wind Power, Bats, and the Ecological Double Standard

By Paul Driessen and James Rust, Master Resource, Apr 5, 2013

<http://www.masterresource.org/2013/04/wind-power-bats-double-standard/#more-25050>

[SEPP Comment: Selected use of government power to benefit a few at the expense of others is a characteristic of an authoritarian government, not a democratic republic.]

Wind power as a cost-effective long-term hedge against natural gas prices

By Staff Writers, Berkeley CA (SPX), Mar 11, 2013

[http://www.winddaily.com/reports/Wind power as a cost effective long term hedge against natural gas prices 999.html](http://www.winddaily.com/reports/Wind_power_as_a_cost_effective_long_term_hedge_against_natural_gas_prices_999.html)

[Thanks to hydraulic fracturing, natural gas prices have fallen considerably, but are still subject to market fluctuation. Expensive, unreliable wind power is proposed as a hedge? I'll take that bet by government bureaucrats and clean their clock.]

Gaming Solar Subsidies

By Donn Dears, Power for USA, Apr 5, 2013

<http://dddusmma.wordpress.com/2013/04/05/gaming-solar-subsidies/>

BP wind sale highlights renewable energy struggles

By Jeannie Keever, Fuel Fix, Apr 3, 2013

<http://fuelfix.com/blog/2013/04/03/bp-to-sell-wind-business/>

Alternative, Green (“Clean”) Vehicles

Obama-backed green automaker Tesla Motors turns a profit

By Ben Geman, The Hill, Apr 1, 2013

<http://thehill.com/blogs/e2-wire/e2-wire/291133-obama-backed-automaker-tesla-motors-turns-a-profit>

Fisker Automotive Firing as Much as 75% of Workforce

By Alan Ohnsman & Angela Greiling Keane, Bloomberg, Apr 5, 2013 [H/t Cooler Heads]

<http://www.bloomberg.com/news/2013-04-05/fisker-said-to-fire-80-of-staff-as-deal-evades-plug-in-carmaker.html>

Hydrogen Conundrum

By Donn Dears, Power for USA, Apr 2, 2013

<http://dddusmma.wordpress.com/2013/04/02/hydrogen-conundrum/>

Environmental Industry

Greens get billionaire ally, money

By Alexandra Jaffe, The Hill, Apr 3, 2013

<http://thehill.com/homenews/campaign/291559-greens-get-billionaire-ally-money#ixzz2PP052wPW>

“The goal here is not to win. The goal here is to destroy these people. We want a smashing victory,” Steyer said of candidates he judges to be on the wrong side of the climate change debate. *[SEPP Comment: Imagine the screams of the environmental industry if supporter of climate skeptics said that.]*

‘Trust Us, Skeptics Are Crooks’

By Russell Cook, American Thinker, Apr 5, 2013
http://www.americanthinker.com/2013/04/trust_us_skeptics_are_crooks.html

Red-faced Greenpeace

By Peter Foster, Financial Post, Mar 30, 2013

<http://opinion.financialpost.com/2013/03/30/peter-foster-red-faced-greenpeace/>

[SEPP Comment: Another false claim. The standard mode of shouting louder and longer did not work this time.]

Other Scientific News

Picking apart photosynthesis

By Staff Writers, Pasadena CA (SPX), Apr 03, 2013

http://www.terraily.com/reports/Picking_apart_photosynthesis_999.html

Link to paper: Redox-inactive metals modulate the reduction potential in heterometallic manganese-oxido clusters

By Tsui, et al, Nature, Mar 3, 2013

<http://www.nature.com/nchem/journal/v5/n4/full/nchem.1578.html>

“...one of the remaining mysteries of photosynthesis, the chemical process by which plants convert sunlight into usable energy and generate the oxygen that we breathe.”

[SEPP Comment: An article on photosynthesis that does not mention the dreaded word – carbon! The description of photosynthesis is incomplete at best.]

Collision Course? A Comet Heads for Mars

By Dr. Tony Phillips for NASA Science News, Huntsville AL (SPX), Apr 04, 2013

http://www.spacedaily.com/reports/Collision_Course_A_Comet_Heads_for_Mars_999.html

Other News that May Be of Interest

Toxic Algae Contaminates Lake Erie at a Record Rate

By Staff Writers, WMAL, Apr 1, 2013 [H/t Timothy Wise]

http://www.wmal.com/common/page.php?pt=WATCH%3A+Toxic+Algae+Contaminates+Lake+Erie+at+a+Record+Rate&id=14303&is_corp=0

[SEPP Comment: Fertilizer run-off is an issue. Algae are green plants – toxic?]

The triumph of the individual over the hive mind

By Viscount Monckton of Brenchley, Quadrant, Apr 3, 2013

<http://www.quadrant.org.au/blogs/doomed-planet/2013/04/the-triumph-of-the-individual-over-the-hive-mind>

This address delivered at Roy Morgan Research on the evening of March 26, 2013

Rare Earths Mining Potential in the United States

By Staff Writers, NCPA, Apr 3, 2013

http://www.ncpa.org/sub/dpd/index.php?Article_ID=23020&utm_source=newsletter&utm_medium=email&utm_campaign=EnvPD

Link to report: Rare Earths Mining Potential in the United States

By Tom Tanton, NCPA, Apr 3, 2013

<http://www.ncpa.org/pub/st348>

[SEPP Comment: Rare earths are vital to many electronic and other industries, including wind power.]

Former Interior official to lead major scientific journal

By Ben Geman, The Hill, Apr 2, 2013

<http://thehill.com/blogs/e2-wire/e2-wire/291337-former-interior-official-to-lead-major-scientific-journal>

[SEPP Comment: In the past, an official from the US Geological Survey (USGS) to be lead editor of Science mag may have been promising. We shall see.]

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BELOW THE BOTTOM LINE:

Introducing the anti-hockey stick – ‘The Scythe’

By Josh, on WUWT, Apr 1, 2013

<http://wattsupwiththat.com/2013/04/01/introducing-the-anti-hockey-stick-the-scythe/>

[SEPP Comment: A bit of humor.]

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ARTICLES:

1. Impoverishing Climate Alarmism at the New York Times

S. Fred Singer, American Thinker, Apr 2, 2013

http://www.americanthinker.com/blog/2013/04/impoverishing_climate_alarmism_at_the_new_york_times.html

[SEPP Comment: Submitted, but not published by the NYT.]

I love to read NY Times columnist Gail Collins -- though I seldom agree with her, especially on matters of [climate change](#) [NYT March 27]. She has an angelic smile and a wonderful sense of humor; I wish I could write like that.

She also has a large devoted following who seems to agree with her alarms about an impending climate disaster -- unless we start taxing all fossil fuels prontissimo. Maybe that's what the White House has in mind; remember Obama's campaign promise to make electricity prices "sky-rocket." Well, he seems to be on target.

So, Gail and fans, before we buy into your climate disaster, please explain to me why there has been no warming for more than a decade. And all throughout, carbon dioxide from fossil-fuel burning increased steadily, apparently with no discernible effect on temperatures -- according to the climate guru, [Prof. Philip Jones](#), Director of the Climatic Research Unit of East Anglia University, compiler of the UN's global surface temperature records (*Daily Mail* on Feb 25, 2010): See also his BBC interview.

OK, Gail and groupies; you won't talk Well then: Can you explain why the Antarctic has been getting colder and *gaining* ice (2.1 trillion tons/yr) for the past 150 years? That sure doesn't look like the *global* warming predicted by all these sophisticated and very expensive computer models, now does it? [Ref: "[A synthesis of the Antarctic surface mass balance during the last 800 yr](#)" *The Cryosphere*, 7, 303-319, 2013, doi:1.5194/tc-7303-2013]. Why then should we trust these same models on future warming in 2100 if they are not validated by past observed temperatures?

Still not talking? Well then, do you think the sun (or cosmic rays), not CO2, might be responsible for the major warming of 20th century? [E Friis-Christensen, K Lassen - Science, 1991] Even the UN's climate panel now finally admits that cosmic-ray changes can affect clouds - and climate:

"Many empirical relationships have been reported between GCR (Galactic Cosmic Rays) or cosmogenic isotope archives and some aspects of the climate system (e.g., Bond et al., 2001; Dengel et al., 2009; and Ram and Stolz, 1999). The forcing from changes in total solar irradiance alone does not seem to account for these observations, implying the existence of an amplifying mechanism such as the hypothesized GCR-cloud link. We focus here on observed relationships between GCR and aerosol and cloud properties." [IPCC-AR-5; second-order draft, Chapter 7, p.43]

So there you have it:

- No scientific consensus on IPCC claims for human-caused global warming.
- CO2 ineffective in controlling climate change-- solar activity and cosmic rays are the main agents.
- Current climate models have not been validated - and cannot be relied on to predict future climate.
- Also: CO2 is plant food. Higher levels benefit global agriculture and all living things. See <http://www.plantsneedco2.org/default.aspx/MenuItemID/73/MenuGroup/AboutUs.htm>

And you still want to burden US households with a carbon tax that goes nothing for the climate. It not only raises the price of all energy fuels but also every essential consumer good; food, clothing, shelter -- even water? How will they make ends meet? Have you no compassion?

Keep smiling, Gail; you really look great!

2. Wind-Power Subsidies? No Thanks.

I'm in the green-energy business. If Washington sent a little less 'green' our way, it would be good for the industry.

By Patrick Jenevein, WSJ, Apr 1, 2013

http://online.wsj.com/article/SB10001424127887323501004578386501479255158.html?mod=W_SJ_Opinion_LEADTop

The sequester has led to dire warnings from many camps, including advocates of clean energy, who argue that Washington's modest cuts could derail America's green future. But from my vantage as a CEO in the wind-power business, the sequester offers Washington a rare opportunity to roll back misguided subsidies and maybe help reverse wind power's stalling momentum.

Since 2009, as part of the president's stimulus, wind-farm developers have been able to get a federal cash grant or tax credit covering up to 30% of their capital investment in a new project. This is especially attractive compared with another tax credit that rewards wind farms based on how much power they actually produce. Through May 2012, according to the National Renewable Energy Laboratory, Washington spent some \$8.4 billion on these cash grants.

But under the sequester, Uncle Sam is cutting the cash-grant program by 8.7% between March 1 and Sept. 30. Advocates of clean energy should welcome this haircut and urge for even more fundamental policy change.

Government subsidies to new wind farms have only made the industry less focused on reducing costs. In turn, the industry produces a product that isn't as efficient or cheap as it might be if we focused less on working the political system and more on research and development. After the 2009 subsidy became available, wind farms were increasingly built in less-windy locations, according to the Department of Energy's "2011 Wind Technologies Market Report." The average wind-power project built in 2011 was located in an area with wind conditions 16% worse than those of the average project in 1998-99.

The Department of Energy admits that this trend is due at least in part to the 2009 federal subsidy: Because the grants that companies receive aren't based on how much power they produce, "it is possible that developers have seized this limited opportunity to build out the less-energetic sites." Meanwhile, wind-power prices have increased to an average \$54 per megawatt-hour, compared with \$37 in 2005.

If our communities can't reasonably afford to purchase and rely on the wind power we sell, it is difficult to make the moral case for our businesses, let alone an economic one. Yet as long as these subsidies and tax credits exist, clean-energy executives will likely spend most of their time pursuing advanced legal and accounting methods rather than investing in studies, innovation, new transmission technology and turbine development.

A quick glance at the American Wind Energy Association's website illustrates this. In July, the association is planning a Capitol Hill event aimed at "educating legislators" on the importance of industry tax credits. Never mind improving the underlying fundamentals of the wind business.

My own company began by delivering clean energy (in the form of natural gas) to rural China, where families still used animal dung for cooking fuel. We entered the wind business in the late 1990s, when a wind-turbine company asked us to provide electricity from its site when the wind wasn't blowing. Years later, we oversaw a similar project but in reverse: In 2008, without a government subsidy, we built a wind farm in Lubbock, Texas, to supplement at lower costs the delivery of electricity to a cottonseed-oil company.

Such projects are likely the industry's future. Wind energy will make marginal—not revolutionary—contributions. The industry's success in Texas (where my company is based, and which is the nation's largest and cheapest producer of wind power) suggests that wind farms do make sense in relatively windy areas where electricity shortages occur.

But policy matters. California, which isn't located in the "wind belt," is America's second-largest wind-energy producer but also its costliest. The state's high costs are partly due to "aggressive renewable energy policies . . . that give developers a strong negotiating position," according to the Department of Energy report.

The wind industry has largely been out-competed by natural gas, which has proved to be a clean, reliable and cheap power source for the future without subsidies or even venture-capital funding.

As such, my company isn't planning any new investments in the wind business, even though we would love to still be worth the \$2 billion we were several years ago.

Of course, we could yet be proven wrong by technological innovation. Without subsidies, the wind industry would be forced to take a hard fresh look at its product. Fewer wind farms would be built, eliminating the market-distorting glut. And if there is truly a need for wind energy, entrepreneurs who improve the business's fundamentals will find a way to compete.

Mr. Jenevein is CEO of the Dallas-based Tang Energy Group.

3. About Those Tax Breaks for Big Oil . . .

The attack line about 'special' deals for the industry doesn't stand up to scrutiny.

By Merrill Matthews, WSJ, Apr 2, 2013 [H/t Timothy Wise]

<http://online.wsj.com/article/SB10001424127887324789504578380684292877300.html?mod=W>
[SJ Opinion LEADTop](#)

President Obama has been telling America for months that special tax breaks for the oil and gas industry must come to an end. The presidential demand always prompts puzzled gazes among tax and energy-industry experts, who ask: What special tax breaks?

Thanks in part to a bill sponsored by Rep. Chris Van Hollen, a Democrat from Maryland and ranking member on the House Budget Committee, it's all much clearer now. The congressman has inadvertently called attention to the fact that those special tax breaks just for the oil and gas industry don't exist. Mr. Van Hollen proposes to create some very special punishments instead. Regardless of the bill's fortunes on Capitol Hill, it has already performed a public service by illuminating the fallacy behind assaults on the industry.

Mr. Van Hollen's "Stop the Sequester Job Loss Now Act" would raise taxes on individuals—what he calls the "Fair Share on High-Income Taxpayers"—and effectively hike taxes on the oil and gas industry by changing the way their taxes are calculated. The problem with the bill is that the so-called tax breaks the industry would lose are not specific to oil and gas at all. They are widely available to lots of industries.

Title III of the act goes after oil and gas with: a limitation on the section 199 deduction; a prohibition on using last-in, first-out accounting for major integrated oil companies; and a modification of the foreign tax-credit rules.

Section 199 is part of the domestic production activities deduction that was included in the American Job Creation Act of 2004, which passed with strong bipartisan support, especially in the Senate. It currently provides a 9% tax deduction from net income for businesses engaged in "qualified production activities" in the U.S. Those activities include manufacturing a product, selling, leasing or licensing it, and engineering and software activities related to that production. The deduction was intended to encourage domestic manufacturing, and in the hope that the tax break could provide a slight competitive advantage against foreign competition.

The oil and gas industry, especially in its extracting and refining, is heavily involved in U.S. manufacturing. Congress already penalizes the industry by only giving it a 6% deduction, rather than the 9% that other industries receive.

But whatever the percentage allowed, this isn't a special deduction for oil and gas. Many other manufacturing industries—including farm equipment, appliances and pharmaceuticals—take the deduction. Mr. Van Hollen's bill refers to the disqualification of two industries from these benefits as a "Special Rule for Certain Oil and Gas Companies." In terms of fairness, it's like telling oil company workers that they can't take the home-mortgage deduction anymore because they work for politically targeted companies.

Mr. Van Hollen also draws a bead on the last-in, first-out accounting method known as Lifo. Those who had accounting classes will recall that there are several widely accepted ways to value a company's inventory. Lifo is one of them. It assumes that the last inventory in is the first used, sold or distributed—an accounting method often used by commodity-type industries. Mr. Van Hollen proposes to reduce those inventory options available to the oil and gas industry, even though they are, and will remain, widely available to most U.S. companies.

Critics of the industry claim that there are other ways of appraising oil and gas inventory that would result in a higher value, and thus companies would have to pay more taxes. But that's like offering individuals the choice of taking the standard deduction or itemizing on their returns, and then demonizing a subset of people who choose the approach that minimizes their income tax obligation.

The third provision of Mr. Van Hollen's bill seeks to change the foreign tax-credit rules—but only for integrated oil and gas companies. American companies operating in foreign countries have to pay the taxes imposed by those governments. The U.S. government generally gives companies operating in foreign countries a tax credit to offset the foreign taxes paid, so the companies are not taxed twice on the same foreign income. That generally includes royalties paid to foreign countries.

Mr. Van Hollen's way of repealing this tax break for one particular industry is to assert that the royalties cannot be called a tax when they apply to that industry: "[A]ny amount paid or accrued by a dual capacity taxpayer which is a major integrated oil company to a foreign country or possession of the U.S. for any period shall not be considered a tax." If an oil company can't call a foreign royalty a tax, then it can't get the foreign tax credit.

Ironically, USA Today just published the top-10 list of companies that paid the highest U.S. income taxes as of 2012, and oil industry companies took three of the slots. Number one was Exxon Mobil at \$31 billion, followed by Chevron \$20 billion, and sixth was ConocoPhillips at \$8 billion. That is about \$60 billion in taxes among them, more than the other seven companies on the list—including Apple and Microsoft —combined. Don't look for a presidential attack on Apple or Microsoft anytime soon.

Mr. Matthews is a resident scholar at the Institute for Policy Innovation in Dallas.

4. A Tale of Two Oil Spills

Greens fret over pipeline leaks but are mute about train derailments.

Editorial, WSJ, Apr 2, 2013

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What's the difference between an oil spill from a pipeline and an oil spill from a train? Answer: A lesson in political opportunism.

The media have played up Friday's discovery of an oil leak in an old Exxon Mobil pipeline near Mayflower, Arkansas. It isn't clear how much oil escaped from the 850-mile Pegasus pipeline, but Exxon says it responded with teams and equipment able to handle as much as 10,000 barrels and that by early Saturday it had stopped the flow and begun cleanup.

The real reason for the headlines is that Pegasus was delivering heavy crude from the Canadian oil sands to Texas. This is similar to the oil the proposed Keystone XL pipeline would deliver from Canada to the Gulf Coast, and the anti-Keystone capos are using the Exxon spill to scare up political opposition to the new pipeline.

Crews at the scene of a Canadian Pacific train derailment that spilled thousands of gallons of crude oil in western Minnesota on Wednesday.

Massachusetts Congressman Ed Markey rewrote a familiar press release, and Sierra Club Executive Director Michael Brune said "this latest toxic mess" proves that "it's not a matter of if spills will occur on dangerous pipelines like Keystone XL, but rather, when."

All of this is in marked contrast to the non-reaction last week when a Canadian Pacific Railway train carrying crude to Chicago derailed in western Minnesota, spilling about 15,000 gallons. Much of the press also ignored the train accident, though the spill was certainly serious and also took place near a town.

The train wreck illustrates one economic reality of the U.S. shale drilling boom, which is that energy companies have turned to shipping by rail as pipeline capacity has been filled. The volume of oil transported by U.S. rail has surged to 233,811 carloads in 2012 from 9,500 as recently as 2008. This means boom times for freight rail lines, including Burlington Northern Santa Fe, which is owned by Warren Buffett and Berkshire Hathaway.

Rail is not the safest way to transport oil, however. Journal reporters recently analyzed federal data and found that railroad-related oil incidents are soaring, with 112 oil spills reported from 2010 to 2012 compared to 10 in the previous three years. The spills are small compared to the volumes that trains are carrying, and railways are essential in areas that aren't connected to pipelines.

By contrast, oil pipelines carry far more crude and have fewer leaks per mile. They also present fewer safety risks than the 2008 explosions when Burlington Northern Santa Fe oil cars caught fire in Oklahoma, requiring evacuations. "Railroads travel through population centers. The safest form of transport for this type of product is a pipeline," former Clinton National Transportation Safety Board Chairman Jim Hall told Reuters after the Minnesota accident.

The greens are flogging claims that Canada's oil-sands crude is more corrosive to pipelines than is other oil, and that this makes the Pegasus leak (and future Keystone leaks) inevitable. Oil experts refute that claim. In any case Pegasus was built in the 1940s, and about half of America's 2.3 million miles of pipeline were built more than 40 years ago. The best way to minimize leaks is to replace this aging network with modern pipelines such as the one planned for the Keystone XL, which use technology that instantly recognizes leaks and immediately shuts down oil flow.

No form of energy production or transport is without risks, so the issue is how to do it as safely and efficiently as possible. Canada and North Dakota are going to keep producing oil as long as America and the world keep using it, which is likely to be many decades. The tale of these two oil spills is one more argument to build the Keystone XL.

Correction: An earlier version misstated the number of gallons of oil spilled in the Canadian Pacific derailment.

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