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President Obama's "All Of The Above" Energy Duplicity

There's been a noticeable sea change in the way President Obama talks about energy.

It began in January with his State of the Union address. The White House's most prominent energy initiative up to that point was Solyndra — the failed solar panel manufacturer that left taxpayers out a half-billion dollars. Big-bet Solyndra perfectly embodied what had been driving the Obama energy agenda: tunnel vision toward “green” tech and a deep antipathy for oil and natural gas, not to mention coal.

So it was a surprise when the President told Congress that he favored expanding domestic oil and natural gas development as part of an “all-of-the-above” energy strategy. Last political cycle, all-of-the-above was Republican-speak for “fossil fuels, too,” given the Administration's green dreams.

And it's a position Obama's repeated over and over since. He's wants to convince the American public that he's a new man — an *oil man*. At a recent stop in Cushing, Oklahoma, Obama told a crowd that “as long as I'm President, we're going to keep on encouraging oil development and infrastructure.” He added, “producing more oil and gas here at home has been, and will continue to be, a critical part of an all-of-the-above energy strategy.”

The Left intelligentsia did not hold their collective tongues. The Center for American Progress titled one article: “[Obama’s Worst Speech Ever: ‘We’ve Added Enough New Oil And Gas Pipeline To Encircle The Earth’](#)”.

Don’t buy the makeover. The new Obama is running from his record — and plans to revert to old ways after what he calls “my last election” with all the tools at his disposal.

The President *had* to switch talking points. The economy continues to lag. Government-dependent “green” companies have produced few jobs for their budget-deficit damage. And gas prices have jumped over 50 cents since January to near a politically perilous \$4.00 per gallon—and with driving season ahead.

To simply stick with the pro-green, anti-oil strategy was political peril. So Obama went surreal with an “all-of-the-above” energy agenda.

But old habits die hard. In the White House’s recently unveiled 2013 budget plan, a big revenue generator is closing \$38.6 billion in “tax breaks for Big Oil,” to quote the document. (Probably a better term for the largest public-held energy companies is “Big America”).

Obama and his team have framed these “breaks” as outright subsidies and special interest handouts — as if Uncle Sam just signs a huge check to [ExxonMobil](#) every year.

But that’s simply not the case. The bulk of the tax benefits afforded to oil and natural gas manufacturers are deductions on certain business operations — precisely the kind of “breaks” that are available to other America’s manufacturers, covering such things as equipment depreciation, salaries for rig operators, and exploration expenses.

And don’t forget the federal government already takes 18 cents per gallon of gasoline sold. State and local governments tack on an average 30 cents. Together, that’s between 10 and 15 percent of the pump price. Repealing the oil industry’s tax “breaks” would just aggravate high prices a little more.

Obama's Environmental Protection Agency recently issued new rules that will force 32 mostly coal-powered plants to close and threaten another 36 facilities. The agency has also issued "blackout" regulations that effectively prohibit the creation of any new coal-fired plants because of unaffordable (if even available) technology upgrades.

That's the real agenda—and Obama can get away with it given that record-low natural gas prices are keeping electricity generated from natural gas affordable.

So much for "all of the above" with coal, the nation's largest electricity generation source, on the chopping block.

The president has bragged that his administration is set to open up "millions of acres for gas and oil exploration." Granted, and laudably, new territory has been added. But this administration still actively opposes drilling in a number of highly promising regions, including the mid-Atlantic coast, the entire Gulf of Mexico, the Rockies, the Florida coast, and the Arctic National Wildlife Refuge.

This White House has also clamped down on the number of permits provided to developers for lands that are already approved for exploration. The Congressional Research Service reports that since 2007, 96 percent of the increase in domestic oil production has occurred on private lands.

And according to the Institute for Energy Research, while oil production on private property grew by 14 percent in 2011, the same on federal land shrank 11 percent.

Obama's new energy rhetoric must be elevated to a new energy philosophy. Democrats and Republicans value affordable, plentiful energy for all the right reasons. Can we envision policy reversals at EPA and Interior to free energy in what Obama hopes is another four years?

As it stands, it's tough not to see this "all of the above" talk as nothing more than hollow political posturing. In this case, Term 2 for the Administration would be walking back the talk.

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