

Romney Energy Plan Touts Drilling, Keystone Pipeline

DAVID HOGBERG | AUGUST 24, 2012

Mitt Romney said Thursday that the U.S. can achieve energy independence by 2020 and create millions of jobs with more drilling on federal lands and offshore.

His proposal, which took immediate fire from environmentalists, moves more in the direction of free markets than any presidential aspirant has offered in a while.

"I give him some credit for putting forward some rather bold proposals that differ from current policy," said Myron Ebell, an energy expert and president of the conservative Freedom Action.

Romney aims for energy self-reliance by the end of the decade, something his plan claims would create up to 3.6 million new jobs and add \$500 billion to GDP.

"This is not some pie-in-the-sky kind of thing," he said in energy-rich Hobbs, N.M. "This is a real achievable objective."

America's natural gas and crude oil production has soared in recent years, pushing U.S. natgas prices to long-term lows. But the boom largely reflects output on private and state lands. Natgas production fell 11% in federal lands and waters in fiscal 2011, according to Interior Department data, while oil sank 14%.

Romney would establish a five-year leasing plan to open new areas for offshore drilling and reform the complex permitting process. And he would let state governments handle the drilling permit process for federal lands within their borders.

It takes an average of 307 days to receive a permit to drill on federal lands, according to the Romney campaign. State approval usually takes only a few weeks.

"There is oil and gas on federal lands that is not being produced that would be produced on private land, given current prices," said Jerry Taylor, senior fellow at the libertarian Cato Institute. "Producing things that are valuable and profitable are good for economic growth."

Environmentalists said Romney's plan would gut protective federal regulations.

"This is Romney ... handing the keys to America's public lands over to the oil and gas industry and it's not going to speed up anything," Christy Goldfuss, director of the Public Lands Project at the liberal Center for American Progress.

Backs Keystone

Romney also would OK construction of the Keystone XL pipeline from Canada's oil sands to Gulf of Mexico refineries. President Obama this year delayed a decision until 2013, siding with environmentalists over energy producers and private labor unions.

Although it is not in the proposal, Romney had earlier opposed the wind production tax credit, set to expire on Dec. 31.

"Romney has really stuck his neck out on that one," said Ebell. "That could hurt him in states like Iowa and Colorado that have a lot of wind industry jobs there, and farmers and ranchers who are benefiting from the windmill rental fees."

But he does keep the ethanol mandate — currently 13 billion gallons — that must be mixed into gasoline supplies.

"It's clearly not working out," said Ebell. "It's having a terrible effect on our food sector. It's too bad Romney has signed on to it, but he needs to with the corn states and doesn't want to alienate rural conservative Republicans in those states."

More than 150 House members and 25 Senators are calling on Obama to suspend the mandate