

FINANCIAL POST

Never mind Keystone XL: EPA regulations are the real battle

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In the grand scheme of things, the Keystone XL pipeline is of little significance to anything tangible — including gas prices, jobs, and, yes, the environment. The price of gasoline is for the most part determined by global forces in the oil market, of which the Keystone XL oil will be but a drop.

The pipeline's job-creation potential is largely ephemeral; although the construction of the pipeline will create tens of thousands of jobs, the operation of it thereafter is expected to create fewer than 100 permanent jobs. And least significant of all is its impact on climate change. If it were to operate at full capacity for the next 85 years, the consumption of oil delivered by the pipeline would lead to global warming of less than a hundredth of a degree — an amount that is scientifically undetectable and environmentally inconsequential.

The fight over the Keystone XL pipeline is, and always has been, nothing but a symbol — of dedication to environmentalism, for the Left; of resistance to excessive government interference, for the Right. Huge amounts of time and money have been spent — or, more accurately, wasted — arguing fruitlessly that it is something more concrete. Practically speaking, its implications are tiny.

This is not true, however, of the litany of carbon- dioxide- limiting regulations that President Obama has imposed through the EPA.

These onerous regulations try to force a reduction in demand through increasing the price of energy derived from fossil fuels (that is, coal, oil, natural gas). They will infiltrate the daily lives of each American, making everything more expensive and potentially threatening the reliability of America's energy supply. And for what?

As far as the environment is concerned, the EPA's meddling will have no demonstrable effect. Even a complete cessation of all greenhouse- gas emissions from the U.S., starting now and lasting forever, would avoid only a fraction of a degree of global temperature rise. At the local level, where people interact with the climate, natural variability would swamp any effect that U.S. emission reductions may have on the daily weather.

And for all the talk of an increasing intensity and frequency of extreme weather events — hurricanes, tornadoes, droughts, floods, heat waves, cold snaps, and any other manner of unpleasant weather — there is little actual scientific research that either identifies much of a

trend, or unequivocally links such weather events to climate change, much less traces a direct link to carbon- dioxide emissions.

So, when it comes to challenging Obama on climate policy, congressional Republicans should set their sights on issues with tangible and wide- ranging impacts, and be willing to trade off largely symbolic projects like the Keystone XL pipeline.

Keystone XL has little to offer besides a moral victory. Limiting the economic damage that the EPA regulations may inflict, on the other hand, will be a benefit to all Americans, for years to come.

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