

Can The United States Senate Stop Germany's Gas Pipeline From Russia In A Post-Coronavirus World?

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Daniel B. Markind

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Daniel B. Markind is a Forbes.com energy column contributor. The views expressed in this article are not to be associated with the views of Flaster Greenberg PC.

Two United States Senators, Republican Ted Cruz of Texas and Democrat Jean Shaheen of New Hampshire, introduced legislation last week that would place sanctions on any company attempting to finish laying the pipe needed to complete the last 100 miles of the Nord Stream 2 pipeline from Russia directly to Germany in the Baltic Sea. The sanctions not only would target companies doing pipe-laying activities themselves, but they also would include entities performing underwriting services, insurance, or re-insurance for the project.

The Nord Stream 2 pipeline remains controversial for both environmental and geopolitical reasons – as can perhaps be discerned by the fact that Senators Cruz and Shaheen, never natural allies, are co-sponsoring the same bill. The pipeline would increase Germany's energy dependency on Russia while also bypassing the existing pipelines that run through Ukraine and the Baltic states, thereby depriving those nations of much needed transshipment revenues that each country currently receives.

Despite the constant environmental moralizing of the Europeans, the Nord Stream 2 project is an example of what can happen when good environmental intentions overrule sound judgment. The fact that it needs to be built at all is evidence of the failure of Germany's "energiewende" policy. That policy, started in 2010, was intended to rid Germany of both fossil fuels and nuclear energy by in effect permitting only energy and power projects from renewable sources. Ten years later, with some of the highest energy costs in Europe, a confounding continued reliance on burning coal for most of its electricity, and still decades away from powering its economy entirely from renewables, Germany finds little choice but to tie itself closer to Russia for energy.

The same mistake is being played out in the American northeast, where New York Governor Andrew Cuomo has led the charge against both fracking and pipeline construction in his state. Recently, he joined New Jersey Governor Phil Murphy in denying permits to finish the Northeast Supply Enhancement (NESE) pipeline project that would have moved natural gas from the Marcellus Shale gas fields in northeastern Pennsylvania to New York City and its environs.

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Should the winter weather in 2020-21 be bad, New York and New England, like Germany, again might need to import natural gas from Russia as they did in 2018. Yet, it is extremely ironic that while so many environmentalists in the United States take their inspiration from Europe, where the Green Party is a true political force, the same Americans who cheered Cuomo and Murphy's termination of NESE say nothing about Nord Stream 2, whose environmental implications are infinitely more troubling for the world as a whole.

In order to become law, the Cruz/Shaheen bill needs to be passed both in the Senate and then the House of Representatives, and then signed by President Trump. However, just the fact that it has been introduced is good news for those who still take a clear-eyed view toward energy, the environment, and international relations. This is especially so given the passions of the time and the increased need for reliable energy sources resulting from the ravages of the coronavirus.

From an energy perspective, there is no reason that Germany should be forced to import more gas from Russia when alternatives lie here in the United States – especially from the abundant supplies in the Marcellus Shale. That they cannot be accessed is one of the sad results of the energy policies of politicians like Governor Cuomo.

From an environmental perspective, little is more destructive to the world's environment than the Russian model of natural gas development. Meanwhile, little is more indicative of the environmental dangers of moving too quickly to ban fossil fuel permitting than the German situation itself. The clear result of Germany's well-meaning but short sighted energy policies is, ironically, greater use of dirty coal from Germany's east and a heavier reliance on Russian natural gas.

Finally, from an international relations standpoint, there is little positive about Germany becoming more dependent on Vladimir Putin's Russia, and doing so in a way that economically harms Ukraine, Poland, and the Baltic States as well. If Nord Stream 2 is going to be built, it should be done in a way that both provides environmental safeguards and advances Germany's and the rest of the West's political interests. Sadly, neither goal seems to be furthered by its construction.

ATTORNEYS MENTIONED

Daniel Markind