Biden's Energy Policy Descends into Chaos

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In the disruption that followed shutting down the Colonial Pipeline due to a "ransomware" attack, the energy policy of the fledgling Biden Administration, and of its key supporters, devolved into incoherence and outright contradiction.

Secretary of Energy Jennifer Granholm freely admitted that when it comes to transporting fuel, like gasoline, "the pipe is the best way to go." This is the same Energy Secretary, of course, who just four months earlier cancelled the Keystone XL Pipeline for oil.

Meanwhile, effective Wednesday (May 12), Granholm's successor as Governor of Michigan, Gretchen Whitmer, brushed aside the anticipatable panic that would follow any sudden suspension of gasoline delivery – not to mention the legal advice of her own Attorney General, who advised that a court order is needed – and abruptly ordered the Canadian company Enbridge to cease utilizing the long operating Line 5, which feeds gas and oil from western Canada into Michigan, Ohio, and other parts of the Midwest, and also supplies about half of Ontario and Quebec's fuel in Canada itself. Citing a 1953 easement over the Straits of Mackinac that Whitmer claims (against most evidence) Enbridge is violating, the Governor wrote to Enbridge's Executive Vice President Vern Yu maintaining that continued operation after May 12 of Line 5, which can transport up to 540,000 barrels a day of light crude oil and natural gas liquids, would constitute "an international trespass."

Enbridge has refused to cease operations, having challenged the Governor's order in Michigan state court, and Whitmer now is facing increasing criticism. On Tuesday, May 11, hundreds of members of Steelworkers International and Local 912 in Toledo, Ohio demonstrated against the demanded closure on the Michigan capitol lawn in Lansing. Whitmer also is creating an international incident and poisoning relations with Canada, America's largest trading partner and longtime ally. The Canadian government filed an "amicus" brief in favor of Enbridge in the suit that it had filed, and was joined in that effort by both the United States Chamber of Commerce and the Canadian Chamber of Commerce.

In a rare intervention into an American legal proceeding, Canada's liberal federal government argued that forcing the pipeline to shut down would cause significant damage to Canada's economy and energy security, and would even threaten the bilateral relationship between the two nations.

Undaunted, Whitmer now has opened another front, claiming that unless Line 5 is closed, Enbridge would be "liable for unjust enrichment, which will require disgorgement to the state of all profits derived from its wrongful use of the state's property." This has been estimated by some as up to $1.4 million per day.

Not to be outdone, President Biden's Climate Change Liaison John Kerry testified before the House Foreign Affairs Committee that pipelines are more carbon efficient for transporting oil and gas than trucks, trains, or other distribution methods. Still said Kerry, "it doesn't mean you want to be adding another line, when there are other alternatives." Exactly what those alternatives are Kerry didn't say.

Adding yet another layer to the chaos, on Friday, May 7, New York shut down Indian Point, that state's last nuclear reactor. In an instant, over 29% of New York's energy supply went dark, ironically to be made up mostly by natural gas. All of Indian Point's power generation came without emitting greenhouse gasses, meaning New York State's goal of reaching carbon-free electricity by 2040 just took a huge step backwards.

Facing a sudden and dramatic flare-up of violence in the Middle East, poor job creation numbers and the continuing mass influx on the Mexican border, the last thing President Biden needed was the Colonial Pipeline energy stoppage. That at least was unforeseen. However, this is what we get when policy is set on an issue as fundamental to American life as energy based on political opportunism, wishful thinking, poor planning, a lack of coordination, and an absence of realism.

As every other President has learned, the real world has a way of injecting itself into politically-based decisions. Perhaps fortunately this all happened early in Mr. Biden's term. He still will have time to change course, but he must move his Administration, and convince his supporters, that the discussion about energy policy needs to be a real one, and not one dominated by slogans and attempts to "cancel' those who raise legitimate doubts and valid debate over politically favored agendas.

ATTORNEYS MENTIONED

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