

Will 2021 Elections Bring Back Energy Realism?

Forbes.com

November 4, 2021

DANIEL B. MARKIND

This article originally ran on Forbes.com on November 4, 2021. All rights reserved.

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.

As morning broke on Wednesday, November 3, the citizens of New Jersey awoke with no clear result about who will be their next Governor. It wasn't until late that evening that incumbent Democrat Phil Murphy was declared the winner over his little-known Republican challenger Jack Ciattarelli. However, Ciattarelli has not conceded, and a recount could still be in the offing. If this occurs, it could further delay a final determination.

Combined with other results throughout the United States, the New Jersey Gubernatorial race appears to be a negative referendum on many ProgressivePGR policies, their perceived overreach and other impacts on the day-to-day lives of New Jersey's citizens. For example, Murphy, a liberal Wall Street multi-millionaire, got roasted continuously on television during the campaign from Ciattarelli ads that repeated Murphy publicly saying, "if taxes are your issue, we're probably not your state." The fact that Ciattarelli's campaign ran the ads so frequently was, no doubt, a reflection that the campaign deemed the ads to be effective.

Murphy has used his power in other ways consistent with a more left-wing agenda over the last four years. This included doing everything possible to prevent any new construction of natural gas pipelines that would help bring the mountains of gas being drilled just hours away in the Marcellus Shale fields of Northeastern Pennsylvania to New Jersey, and then on to New York City, New England, and even more distant locations where such gas is sorely needed.

Instead, Murphy placed New Jersey's money on a plan to construct a huge staging area along the Jersey shore for building massive wind turbines that could be used offshore, hoping to position New Jersey as a world leader in developing so-called "Green" wind energy.

Despite the ambitious nature and sheer outsized scale of the project, the voters didn't seem particularly impressed.

To be sure, energy security did not appear to resonate as a major issue in the New Jersey campaign. However, rising energy prices may have been a sleeping giant that had more impact than the Murphy campaign would have liked. As the price of gasoline skyrockets nationwide, it is likely that this cost inflation has contributed to a national mood that has soured quickly against President Biden and the Progressive movement generally, and has resulted in a political atmosphere that is proving increasingly difficult for

Continued

Democrats to navigate across the country.

Regarding energy, the looming post-election question now becomes what result will the New Jersey election have on that State's energy policy in the future?

Should Murphy win, it is doubtful there will be much impact or change in New Jersey's energy policy. "Green energy policy," even without real thought as to what that means, has become imbedded in the Democratic platform. That platform very ambitiously seeks to take the country, virtually overnight, from what has traditionally been an almost 100% carbon-based energy structure to one that, it is hoped, will now drop quickly to close to 0% in carbon emissions. While well meaning, the platform fails to account for the absence of anything in history to suggest how, or whether, accomplishing such a radical change in the country's overall energy policy and efficiency is even possible in so short a time period. Indeed, as the elections took place, President Biden was returning from an international climate meeting in Glasgow, Scotland where he apologized for his predecessor taking the United States out of the Paris Climate Accords.

The Murphy Administration has scuttled numerous interstate oil and gas pipelines over the last four years. The developers of the PennEast pipeline, which would take Marcellus Shale gas to Central New Jersey, already have cancelled that project, citing the refusal of the Murphy administration to grant needed environmental permits.

There also is little indication at this point whether or not the developers of the Northeast Supply Enhancement Project pipeline will again seek a permit to build in the New York harbor between New York and New Jersey, thus ensuring that New York City, New England and points beyond will have an uninterrupted supply of natural gas for the foreseeable future.

Without really explaining how New Jersey will obtain the energy it needs for its citizens in the near future, beyond wishful thinking and an extremely optimistic faith that there will be widespread adoption of non-traditional "Green" technology that is, Governor Murphy has placed the State at the mercy of foreign suppliers.

But what if Ciattarelli somehow wins? Will he reverse Murphy's policies regarding natural gas in the pipeline projects, the Delaware River Basin, and other places? Will he direct New Jersey's retreat from the Progressive's ideology and its present "if you build it they will come" mentality as it pertains to its energy infrastructure, and will the State then return to a dose of realism? Indeed, will he take the advice of someone like CNN's popular pundit, Fareed Zakaria, who recently authored an op-ed piece arguing that America needs a "transition strategy" before it tries to jump overnight from its traditional carbon-based energy system to a full scale "Green infrastructure." That transition period would be based, in large part, on using the country's existing gas reserves until the Green infrastructure is sufficiently built out so that it is indeed reliable.

Regardless of who wins, given the current energy supply shortages and price increases, New Jersey could be quite vulnerable. What will happen if there is a bad winter in the Mid-Atlantic region this year and North Jersey and New York are forced again to import gas from Russia as they did in 2018? How will that impact the regional mood heading into the 2022 election cycle?

Continued

Whatever happens in the end, the New Jersey election returns are a shock to all involved – but not necessarily a surprise to those who have been closely watching New Jersey politics for a while. In New Jersey especially, the race was mainly about one man and whether or not he was out of touch with the people he was governing. It will be interesting and instructive to see if this leads to a fundamental reevaluation of some of the more radical energy policies that Democrats have been pushing in New Jersey, if not nationwide, which may not accurately reflect their constituents' views, or whether the party continues on the same path and plows headfirst into an energy reality that could be far different and more troubling for the future than the party has been imagining.

ATTORNEYS MENTIONED

Daniel Markind