



INTERVIEW

Sound Science, Sound Energy Policy: A Senator Reflects

Sen. J. Bennett Johnston (D-La.) arrived in Washington in 1973, the year of the first oil crisis. Nearly two decades later, as chairman of the Energy and Natural Resources Committee, he was the principal author of the Energy Policy Act of 1992, generated by another Persian Gulf crisis. He has now retired and, in late November, as his staff was packing up his office, he took the following questions from J. W. Anderson, RFF's journalist in residence.

RFF: On the subject of energy, what do you think the order of priorities ought to be as the administration heads into the second term?

Johnston: Well, clearly the most important thing is electricity restructuring.

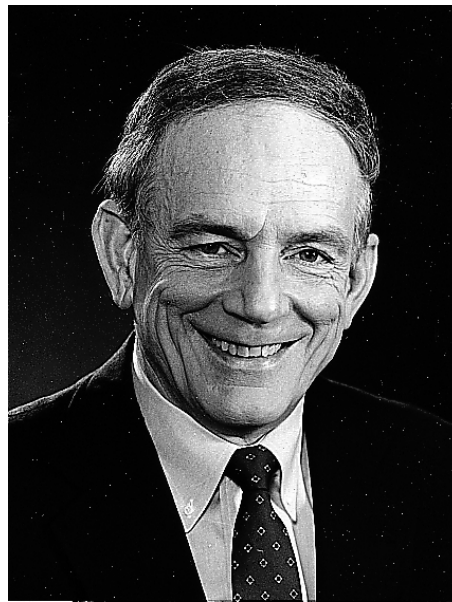
RFF: And that got under way—

Johnston: —with the Energy Policy Act of 1992. We provided there for wholesale wheeling [requiring utilities to transmit other companies' power on their lines]. It was a real surprise, I think, to virtually everyone that these competitive markets work so well in electricity. When I came here in 1973 electricity was considered to be a natural monopoly beautifully serving the electric consumer, prices going down every year. It was only through the happenstance of PURPA [the Public Utility Regulatory Policies Act of 1978] that we found out about competitive markets. They would have auctions, you know, when so many utilities would determine avoided cost through competition. That's when we found out about how competitive markets could really reduce costs and still have reliability.

RFF: Is there a future for nuclear power?

Johnston: I believe there will be. The problem is not safety. The problem is

economics. The reactors finished in 1982 took fourteen years to build, and those were years of very high interest rates. So you have outrageously costly reactors. With the new generic designs and with your sites being banked and I'd say something like a five-year time schedule to build a reactor, can they be economically



competitive? My guess is they can. They wouldn't with today's prices of natural gas, but prices will go up over time. In the meantime, I believe, they're going to prove up the viability of nuclear power in Asia, particularly in the PRC [People's Republic of China], and then it will come back to the United States.

To the extent that people are really serious about global warming they must use nuclear power.

RFF: Regulatory reform has been a major issue, particularly in this Congress now ending. Where should we go on that?

Johnston: We should provide for maximum safety and environmental protection, but consistent with sound science. Now the problem has been that they [the administration] have not used sound science. They have been driven by emotion, ignorance, zeal, etc. We see it time and again.

The best news I've heard lately was the study my subcommittee promoted on EMF [electromagnetic fields]. That's the kind of sound science you need.

RFF: This is the issue of power lines?

Johnston: Yes, and they [a commission under the National Research Council] said there is no reasonable evidence of connection between EMF at those levels and cancer. That's what you need to do—have real scientists.

When I proposed the first risk assessment amendment in the Senate—we passed it twice in the Senate in the last Congress—it was done because EPA had come out with a preliminary rule on carbon-14 which was set at one-6300th of the carbon-14 that occurs in the body

naturally or one millionth of background radiation, and it was going to cost \$3 billion to comply with that rule. Now there had been no studies done. They didn't know what it was going to cost. They didn't make a finding about it being harmful to health. They just did it because that's where it had been set previously [in another area]. Frequently one law will say, let's set the radiation standard at the lowest measurable amount and it might be in an area like drinking water which is fairly easy to deal with. And they carry that forward in other cases where it doesn't make any sense, where it does cost a lot of money, and never having in the first instance based the standard on health.

RFF: How seriously should this country be addressing global warming right now?

Johnston: In my view the science is absolutely clear that there are increasing greenhouse gases. That is measurable and increasing rapidly. There is fairly good consensus on temperature increase—with some dissenting voices, but overall pretty good consensus. A large disagreement exists as to what the future will be—whether it will be very bad, or how fast it will accelerate.

All those things being so, I believe we should pursue clearly a no-regrets policy, that is, to do things that make sense anyway—energy efficiency, conservation. We are pursuing those things. But we should be very careful of not getting captured by the agenda crowd, those people who have an agenda of promoting ethanol or whatever and use global warming as their excuse—the same crowd who, if you should ever mention nuclear, will run for the hills. And, as I say, we ought to allow nuclear to be pursued, certainly in China.

Air pollution and greenhouse gas increases are really a big problem in China. With the expenditure of modest sums, you

can get much more payoff in Asia and other developing countries than you can in this country.

RFF: Of all the things you've done in this broad area of energy and the environment, what gives you the most satisfaction as you look back?

Johnston: I think the Energy Policy Act, because that was very broad, covering all aspects of energy. We made almost no compromises with sound policy. It got the competitive market really going in a very big way, allowing American companies to compete abroad with energy projects. The energy efficiency and conservation and renewables part was really quite good.

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Energy efficiency and conservation—people expect one big action that's going to lead to revolution. Really, what energy efficiency and conservation amount to is hundreds of little acts pursued assiduously and constantly and then they give a big payoff. That part of our bill was very good. The whole package, I think, was a great one and difficult to pass, and so that gives me the greatest satisfaction.

RFF: In 1973, talk of conservation was anathema in the energy-producing states. Here a senator from Louisiana is the principal author of major legislation getting into all of these areas. Am I right in thinking there's been real political evolution in this country?

Johnston: Yes, there has been political evolution. Also we've learned what's effective. In those silly days of the early energy crisis, for example, they [federal regulators] were turning up the thermostats [to reduce the power used in air conditioning]. Down in New Orleans where it's terribly humid people were sweating and cussing the federal government. They did stupid things like that.

Also at that time, in addition to the silly things like thermostat control, there was control of prices so that in my state producers of both natural gas and oil were being held to artificially low prices.

The one consistent lesson we have learned through all of that is that the market really works. It works very well in energy—electricity, natural gas. There's no oil rationing, the price of oil is very low. Now we have got natural gas deregulation, not only at the wellhead but in the pipelines. The whole system is much more rational and efficient, and serves the consumer much better. 🏠