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# Energy & Environment

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**Tuesday, June 1, 2010**

## Oil Ripples In Washington?

By [Margaret Kriz Hobson](#)

NationalJournal.com

The implications of the BP oil spill, now considered the worst in U.S. history, are increasingly being felt in Washington. Last week, President Obama extended the moratorium on new deepwater drilling for six months and halted oil exploration in the Arctic and off Virginia's coast. The White House ousted the head of the Minerals Management Service. Coastal state lawmakers rushed to provide federal relief for residents and businesses hurt by the environmental devastation. Others in Congress saw the spill as an opportunity to advance electric cars.

What policy and political changes should Washington embrace as a result of the oil spill? Will the spill convince Congress to pass a climate bill or more limited energy legislation? Will it impact the November congressional elections?



**June 1, 2010 7:58 AM**



### Lessons To Learn

By [Robert J. Shapiro](#)

Chairman and Founder, Sonecon, U.S. Climate Task Force

This historic environmental disaster can be a national learning moment. The first lesson, to borrow a phrase from Ronald Reagan, is to trust but verify. No one ever again will underestimate the difficulties of dealing with a deep-water well accident. But the record shows that BP has had more than its share of ocean well accidents; and when it represented that it could handle all contingencies, federal regulators took the company at its word. The administration should examine the industry's best practices for addressing serious accidents and apply new, stricter standards and rules to everyone. And the administration's moratorium on new deepwater wells should remain in place until those new standards and rules are in place, and we are certain that future accidents will be handled much more quickly and effectively.

Whether we like it or not, oil and gas will play dominant roles in our energy mix for years to come, and the only way to safely secure the domestic energy we know we will need is to accelerate the development and application of new technologies and methods for its exploration and recovery. The second lesson, then, is to invest the resources required to improve the ways we recover domestic oil and gas from a variety of sources, from shale and tar sands to shallow and deep water wells. And third, looking further to the future, the administration needs to accelerate the country's transition to alternative energy sources by building a national consensus for a serious climate program. The best candidate is to put in place a new fee on energy based on its

carbon content and use the revenues to cut the payroll tax rate, thereby creating new jobs and protecting the incomes of most households.

Polls show that, at least for now, the American public doesn't blame the administration for the accident or the unsuccessful attempts to address it. The public's patience will be exhausted, however, if it takes BP and Washington another two months to stop the spill, and the environmental and economic costs continue to spiral upwards almost without limit. In that case, the old and often-ignored axiom, that good politics rests on good policy, would apply: Voters, especially outside the Gulf, will reward politicians who demonstrate that they're capable of learning and applying serious lessons from this disaster – namely, by developing and putting in place strict new standards and rules for ocean drilling, by investing in a variety of new ways to recover more domestic oil and gas, and by creating the necessary political consensus for a climate program that gradually will reduce our dependence on fossil fuels.

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