

Carnegie Mellon University: H. John Heinz III School of Public Policy and Management

90-808: U.S. Energy Policy (Spring 2021)
6 units

Instructor: Jeffrey F. Kupfer, Adjunct Professor of Public Policy and Management

Phone: (202) 213-0783

Email: jkupfer@cmu.edu

Time & location: Thursday; 6:30 p.m. – 9:20 p.m. ET; Remote

Office hours: By appointment

Course Description:

This seminar will provide an introduction to modern U.S. energy policy. Our goal will be to understand, from a practical perspective, how economics, technology, politics, public opinion and national security all influence the development and implementation of policy.

Questions that we will address include: Why has energy and the environment taken on such a critical role in the public policy agenda? How has U.S. energy policy changed over the years and what lessons have we learned from past initiatives? How much influence does government really have? How have new technologies changed the energy landscape and our interactions with other countries? The class will begin with an overview of the energy sector and the related government structure. After covering some historical context, we will discuss Presidential initiatives and legislative activity, and will pay particular attention to current efforts by the Biden Administration.

We will consider case studies, such as the Keystone Pipeline and carbon pricing, that demonstrate conflicting viewpoints about appropriate energy policy. The class will also explore international energy issues like liquefied natural gas and crude oil exports, as well as the Paris climate agreement.

This course is a seminar class; I will provide a framework and then guide a discussion among the students. We will hear from guest speakers, including a number of current and former senior government officials.

Course Objectives:

By the end of this class, students should have a solid understanding of the issues and the players involved in the development and implementation of U.S. energy policy. Students should be able to articulate the relevant policy considerations and the trade-offs associated

with various energy initiatives. You should be able to draw upon historical examples and develop recommendations for current and future energy policy in the U.S.

Prerequisites:

There are no required prerequisites.

Materials:

There is no textbook. We will use a variety of original source materials (government reports, speeches) as well as excerpts from books and articles. Most (if not all) of those materials will be available on Canvas. In many cases, I will require you to read only part of a document, but will have the entire document available for you to review.

You will be expected to understand and remember the basic ideas and principles that the readings convey, and to demonstrate your understanding of the readings during the discussions in class and through the assignments submitted. In addition, we will be discussing current developments regarding energy policy. As such, I encourage you to follow the issues and to think about how they relate to the topics we are studying.

Attendance:

You are expected to attend each class. The bulk of the learning will come through the class discussions, and so just completing the readings will not serve as an effective substitute. If an illness or something urgent prevents you from attending a class, you should notify me promptly, find out what material will be or was covered, and submit any assignment that is due.

Recognizing that class is remote, we will take appropriate breaks during the class session.

Cheating and plagiarism:

There will be several assignments as part of the course. Some of the assignments will be explicitly structured as group work, while others will require you to work independently and to submit written material reflecting your work, and only your work. If you have any doubt as to what type of assistance or collaboration is acceptable on a particular assignment, please ask me for guidance and wait for an answer before undertaking that assistance or collaboration.

If you copy something as part of your analysis and fail to properly reference it or to acknowledge that it is not your own creation, you will be considered to have plagiarized that material. Citing sources is actually beneficial, as it demonstrates your effort and provides credibility.

Students are expected to honor the letter and the spirit of the Carnegie Mellon University Policy on Cheating and Plagiarism. All activities cited in that policy will be treated as cheating in this course.

Students are expected to familiarize themselves with this policy, which can be found at <http://www.cmu.edu/policies/documents/Cheating.html>

Students are also encouraged to review the Carnegie Mellon University Academic Disciplinary Actions Overview for Graduate Students, which details penalties and sanctions, as well as students' rights. See <http://www.cmu.edu/policies/documents/GradDisc.html>

I will take a zero-tolerance policy on cheating and plagiarism and will consult with Departmental leadership on appropriate action for all instances of cheating and plagiarism. As the aforementioned policies indicate, penalties can include course failure, suspension, and dismissal from the program.

Take care of yourself

Do your best to maintain a healthy lifestyle this semester by eating well, exercising, avoiding drugs and alcohol, getting enough sleep, and taking some time to relax. This will help you achieve your goals and cope with stress.

All of us benefit from support during times of struggle. There are many helpful resources available on campus and an important part of the college experience is learning how to ask for help. Asking for support sooner rather than later is often helpful.

If you or anyone you know experiences any academic stress, difficult life events, or feelings like anxiety or depression, we strongly encourage you to seek support. Counseling and Psychological Services is here to help: call 412-268-2922 and visit their website at <http://www.cmu.edu/counseling>. Consider reaching out to a friend, faculty, or family member you trust for help getting connected to the support that can help.

Assignments and grading:

There will be no examinations in the course. Grading will be based on three components:

1. Class participation - 20%
2. Short papers and presentations - 45%
3. Final Project - 35%

Class Participation

Because class is remote, class dynamics will be different than the usual in-person class. Besides speaking during class, we will also utilize a variety of different tools to encourage participation and keep you engaged. This may include Canvas discussion in between classes as well as the use of the chat function during class.

One of the key objectives of the course is to teach you how to think critically and rapidly about issues, and participation is an important measure of your ability to do so. Participation will be evaluated primarily by the quality, rather than the quantity, of your contributions. In other words, a few thoughtful and creative ideas will carry more weight than many trivial points, and counterproductive participation (e.g., trying to dominate the discussion, going off on tangents, or belittling the ideas of other students) will carry negative weight.

Short papers/presentations

Besides regular class discussion, students will be assigned to research and participate in several short assignments. You will be required to take a side in a student debate (and prepare a few PowerPoint slides), as well as complete a short memo and a newspaper op-ed.

Final Paper

For a final paper, you will be asked to assume the role of a senior policy advisor. In a memorandum (no more than 2,200 words), your task will be to evaluate a policy issue (topic to be determined), make specific recommendations, and explain how to achieve those recommendations. In making your recommendations, you should draw on the United States' historical experience as well as analyzing how your recommendations fit into the current policy and political situation. You should consider different policy factors – such as economics and national security – as well as the views of different stakeholders and interest groups.

Course Schedule (subject to change):

NOTE ON READINGS: Many of the readings and links are listed below. However, there will be additional readings that will be added and links will be provided on Canvas. So please make sure to consult Canvas (and the class emails and announcements) to make sure that you have the complete list of readings for each week.

Class 1 (March 25)

Topic: Setting the Stage

- Sources and uses of energy in the U.S.
- Government: How is the U.S. government structured to deal with energy issues? State/local v. federal
- Stakeholders: industry groups, environmental organizations; consumer groups, think tanks; academic institutions.
- Policy factors: economics, environmental matters, financial markets, technology, politics, national security, public opinion.

Readings:

- Energy Information Administration, Monthly Energy Review, Feb. 2021 (look at Section 1; Energy Overview); <https://www.eia.gov/totalenergy/data/monthly/pdf/mer.pdf>
- "The Executive Branch and National Energy Policy: Time for Renewal," *Bipartisan Policy Center*, November 2012. https://bipartisanpolicy.org/wp-content/uploads/2019/03/BPC_Governance_Report_0.pdf
- "Summary Report: Transition Recommendations for Climate Governance and Action." *Climate 21*, November 2020: https://climate21.org/documents/C21_Summary.pdf
- "S.Res.59 - A Resolution Recognizing the Duty of the Federal Government to Create a Green New Deal." Feb. 7, 2019: [https://www.congress.gov/bill/116th-congress/senate-resolution/59/text?q={"search":\["green+new+deal"\]}&r=2&s=1](https://www.congress.gov/bill/116th-congress/senate-resolution/59/text?q={)

Class 2 (April 1)

Topic: How did we get here? Presidential leadership and Congressional action

- Nixon to Biden: from Project Independence to Clean Energy Revolution
- Major energy legislation

Readings:

- George W. Bush: *Report of the National Energy Policy Development Group* (May 2001)
- Barack Obama: *Blueprint for a Secure Energy Future* (March 2011) & *Climate Action Plan* (June 2013)

- Donald Trump, *Executive Order on Promoting Energy Independence and Economic Growth*, (March 28, 2017); <https://www.federalregister.gov/documents/2017/03/31/2017-06576/promoting-energy-independence-and-economic-growth>
- Joe Biden, *Executive Order on Tackling the Climate Crisis at Home and Abroad* (January 27, 2021). <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/executive-order-on-tackling-the-climate-crisis-at-home-and-abroad/>
- Assorted Legislative summaries (2005, 2007, 2009, 2020) available on Canvas.

Guest speaker: [David Hill](#), former general counsel of the US Energy Department. Please read: FERC primer on energy markets (pp. 35-101) – <https://www.ferc.gov/market-assessments/guide/energy-primer.pdf>

Class 3 (April 8)

Topic: Electricity Generation

- Baseload power (nuclear, coal, natural gas, hydro)
- Renewables (wind, solar)

Readings:

- “Nuclear Energy: Overview of Congressional Issues,” Congressional Research Service (July 2020) <https://crsreports.congress.gov/product/pdf/R/R42853>
- “The U.S. Coal Industry: Historical Trends and Recent Developments,” CRS (August 2017) <https://crsreports.congress.gov/product/pdf/R/R44922>
- “Can Coal Make a Comeback,” *Columbia Center for Global Energy Policy* (April 2017)

Assignment: Policy paper

Guest speaker: [Lesley Clark](#), energy reporter E & E News / Politico

NO CLASS ON APRIL 15

Class 4 (April 22)

Topic: Transportation and the Shale “Revolution”

- Electric vehicles
- Hydraulic fracturing
- Infrastructure – pipelines and transmission
- US government documents re: Keystone – CRS report; State Dept. EIS; Trump approval.

- Keystone editorials: “Keystone XL’s continued delay is absurd,” *Washington Post* (April 2014); “No to Keystone, Yes to the Planet,” *New York Times* (November 2015)
- “Interstate Natural Gas Pipeline Siting,” CRS (June 2018):
<https://crsreports.congress.gov/product/pdf/R/R45239>
- Primer on FERC direction under Pres. Biden:
<https://www.bloomberg.com/news/articles/2021-01-29/biden-s-secret-weapon-to-cleaning-up-energy-is-spelled-ferc>

Assignment: debate in class

Guest speaker: [Bob McNally](#), president of the Rapidan Group and former special assistant to the president (national security council).

Class 5 (April 29)

Topic: Policy tools: Mandates, Standards and Taxes

- Renewable fuels mandate
- Renewable portfolio standard/ clean energy standard
- Carbon tax

Readings:

- Bracmort, “The Renewable Fuel Standard: An Overview,” Apr 2020, Congressional Research Service. <https://fas.org/sgp/crs/misc/R43325.pdf>
- NYT, October 13, 2018; interview with William Nordhaus.
- Stavins, “A US Cap-and-Trade System to Address Global Climate Change,” *The Brookings Institution Hamilton Project*, 2007
- Larsen, Mohan, Marsters, and Herndon, “Energy and Environmental Implications of a Carbon Tax in the United States.” *Columbia Center on Global Energy Policy*, July 2018.
<https://energypolicy.columbia.edu/research/report/energy-and-environmental-implications-carbon-tax-united-states>
- Gundlach, Minsk, and Kaufman, “Interactions Between a Federal Carbon Tax and Other Climate Policies.” *Columbia Center on Global Energy Policy*, Mar 2019.
<https://www.energypolicy.columbia.edu/research/report/interactions-between-federal-carbon-tax-and-other-climate-policies>
- Mildenberger and Stokes, “The Trouble with Carbon Pricing.” *Boston Review*, Sep 2020.
<http://bostonreview.net/science-nature-politics/leah-c-stokes-matto-mildenberger-trouble-carbon-pricing>

Assignment: op-ed

Guest speaker: [Tristan Abbey](#), president of Comarus Analytics LLC and former senior staff member of the Senate Energy Committee.

NO CLASS ON NOVEMBER 28 – THANKSGIVING

Class 6 (May 6)

Topic: Policy in a Global Context

- Fossil fuel exports
- Climate negotiations
- National Security Council simulation

Readings:

- Bordoff and Houser, “Navigating the U.S. Oil Export Debate,” *Center on Global Energy Policy and Rhodium Group* (2015)
- Oil Shockwave scenarios and backgrounders

Final Paper due on Thursday, May 13

2005: <https://www.congress.gov/bill/109th-congress/house-bill/6>

2007: <https://www.congress.gov/bill/110th-congress/house-bill/6>

2009: <https://www.c2es.org/site/assets/uploads/2013/01/arra-brief-feb-2013.pdf>

2020: <https://www.washingtonpost.com/climate-solutions/2020/12/21/congress-climate-spending/>