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This quarter's topics:
Post-election Commentary and
Lessons Learned from the BP Mess

Reaping the Whirlwind: An Election Analysis

By David Jenkins and Jim DiPeso

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Environmental issues were not discussed much by the talking heads on election night, but it is now clear that voter desire for responsible environmental stewardship did factor significantly into the election outcome.

A post-election Zogby poll of over 19,000 voters found that half of the Americans who voted on November 7 said that concern about global warming was a factor in deciding whom to vote for. Of those who cited global warming as a factor, 85 percent ended up voting for the Democratic candidate—including 48 percent of Independents and 7 percent of Republicans.

According to that poll, 58 percent of voters wanted their elected officials to make combating global warming a high priority and 75 percent agreed that Congress should pass legislation promoting renewable and alternative energy sources to help reduce global warming pollution.

John Zogby, President of Zogby International, explained:

"Exit polling shows that global warming was a sleeper issue that may have snuck up on politicians in close races. Global warming was most influential among Latinos and youth—two constituencies that helped propel Democratic gains. There are also signs that

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global warming may be eroding support for Republicans among religious voters. Looking ahead, politicians in both parties ignore this issue at their peril."

Given the extremely narrow margins in many House races, the global warming issue alone could have cost Republicans a number of seats. However, there is much more evidence that voter concern for the environment helped the Democrats reclaim control of Congress.

CORROSIVE INFLUENCE

The Republican Party was justifiably perceived as the party of excess and arrogance that pandered to greedy special interests, let cronyism and corruption cloud its judgment, failed to deal constructively with the nation's most pressing problems, and trampled on traditional conservative values—including the conservation ethic that is central to true conservatism.

Exit polling revealed that corruption in Congress was cited by more voters than Iraq as the top issue influencing their vote. Most of the corruption on display over the past two years involved Republicans who got too cozy with corporate special interests.

The corrosive effects of catering to narrow, parochial agendas not only caused scandals, but it resulted in Republicans failing to lead effectively on the urgent energy and climate challenges facing the nation.

The GOP also put its worst foot forward by having some of its most radically anti-environment and pro-special interest members chair key environment and energy committees. This virtually ensured that voters would witness one assault after another on popular environmental laws.

Two of these radicals, Rep. Richard Pombo (CA) and Rep. Charles Taylor (NC), were effectively targeted by environmental groups and defeated. Pombo, who chaired the House Resources Committee, also had to fight off a vigorous Republican primary challenge that resulted from his efforts to weaken environmental laws, especially the Endangered Species Act.

ENERGY WOES

The public's ever-dimming opinion of the oil industry also played into the hands of the Democrats. While the public endured record gasoline prices and oil companies simultaneously posted record profits, the White House and Republican congressional leaders were busy pushing the oil industry's agenda of tax breaks, royalty relief, weaker environmental regulations, and opening environmentally sensitive areas to drilling.

The perception that Republican lawmakers are in the pockets of "Big Oil" gained more traction when Senator Ted Stevens (R-AK) garnered significant media attention for his refusal to swear in oil industry executives at a committee hearing. His failed gambit to use the FY 2006 defense spending bill to open the Arctic National Wildlife Refuge to oil drilling only added to that perception.

Even worse for Republican incumbents in marginal/swing districts was a heavy handed congressional leadership that successfully pressured some of them to cast a vote or two for elements of that oil industry agenda. Any vote that could be perceived as pro oil industry eventually became a millstone around their necks.

Starting in 2005, liberal groups such as MoveOn.org began targeting Republican incumbents in swing districts with television, radio and newspaper ads linking them to the oil industry. Ironically, many of the Republicans targeted had very good environmental records, but the sins of GOP leaders were effectively pinned on them.

This toxic political environment unfortunately cost some of the most conscientious, responsive, and conservation-minded Republican lawmakers their jobs. The pro-environment Republican incumbents who were lost to the broader anti-GOP mood included:

Senator Lincoln Chafee (RI)
Senator Mike DeWine (OH)
Rep. Charlie Bass (NH)
Rep. Jeb Bradley (NH)
Rep. Mike Fitzpatrick (PA)
Rep. Nancy Johnson (CT)
Rep. Sue W. Kelly (NY)
Rep. Jim Leach (IA)
Rep. Rob Simmons (CT)

BUCKING THE TREND

The one blue-state Republican who defied the odds and cruised to a landslide victory was Governor Arnold Schwarzenegger of California. He did so in large part by compiling an outstanding record of environmental achievement that set him apart from the Republican leaders in Washington and the prevalent stereotypes that beset other GOP candidates.

His popular environmental accomplishments included ocean protection, forest conservation, solar energy development, and the most sweeping policy in the United States to reduce greenhouse gas emissions.

Governor Schwarzenegger's electoral triumph demonstrates the right way to build trust with the electorate, broaden political appeal, and govern effectively. Schwarzenegger impressed his constituents with a virtuoso, results-oriented performance that skillfully blended conservative principles and political pragmatism.

The lesson for the GOP is that a return to traditional conservative values, including a strong conservation ethic, and a willingness to work constructively with Democrats on solving urgent national problems will appeal to citizens who are increasingly worried about global warming, oil dependence, and the risks they pose to our nation's security, economy, and quality of life.

A SHAKY FOUNDATION

Ultimately, the GOP loss of Congress can be traced back to an abandonment of the inherently conservative virtue of responsible stewardship. Many in the party have also lost sight of fundamental conservative tenets such as thrift, prudence, humility, restraint, piety towards creation, freedom with responsibility, and our moral obligation to leave a healthy inheritance to future generations.

True conservatism does not condone greed, arrogance or waste. It is not a slave to corporate interests and it is unwilling to sacrifice the broader good of society for short-term parochial agendas.

Governing with a focus on narrow interests and short-term gratification is immoral. Edmund Burke, the founder of conservatism, warned of its effect on the "continuity of the commonwealth," predicting:

"No one generation could link with another. Men would become little better than the flies of a summer."

Conservative political theorist Russell Kirk cautioned against "conservatives" who "assure us that great corporations can do no wrong" and who would govern by "placating certain powerful interests." He concluded that such people "cannot govern well."

Kirk's critique of America in the 1920s is equally appropriate for the Republican Party today:

"The principle of real leadership ignored, the immortal objects of society forgotten, practical conservatism degenerated into mere laudation of private enterprise, economic policy almost wholly surrendered to special interests—such a nation was inviting catastrophes which compel society to re-examine the first principles."

The current leadership of the Republican Party—with help from Democrats and the media—has so misrepresented conservatism that it may be a long time before swing voters once again embrace it and trust conservatives to lead the nation.

If the Republican Party is to reclaim the public's trust and provide real conservative leadership, it must first reject the corrupting influence of corporate special interests and rediscover traditional conservative values as articulated by the architects of modern conservative thought, such as Burke, Kirk, and Richard Weaver.

It must also accept that conservation and environmental stewardship are core conservative values and seek honest solutions to the energy and environmental problems facing the nation.

That legitimate brand of conservatism would have prevailed at the polls. ★★★

A Blast of Reality from Alaska's North Slope

By David Jenkins

To say that oil drilling operations on Alaska's North Slope have experienced a bad year is almost comically understated. The incredible spate of bad news began in March with the discovery of the North Slope's largest oil spill—over 200,000 gallons. That event was followed by a continual series of spills, leaks and other mishaps that included a shutdown of the Prudhoe Bay oil field.

In the leaky pipeline that prompted the Prudhoe Bay shutdown, a "smart pig" found over 5,000 areas of corrosion, including 176 places where the corrosion had chewed through over 50 percent of the pipeline wall.

Much of this difficulty has been due to severe corrosion in the transit pipelines that carry oil from the wells to the Trans-Alaska pipeline. The exact nature of the widespread corrosion is not fully understood, but the problem has been exacerbated by poor maintenance and perhaps criminal negligence on the part of BP PLC, the company that operates the Prudhoe Bay field and most of the surrounding infrastructure.

Conservationists have long argued that oil production is an inherently messy business and have worked to steer such activity away from environmentally sensitive areas, such as the Arctic National Wildlife Refuge. They have often pointed to the hundreds of spills and leaks documented on the North Slope each year as evidence of the environmental impacts. But not even the oil industry's

harshest critics envisioned the massive scope of the current troubles.

Drilling advocates who have been pressing for oil development in the Arctic Refuge have conversely argued that drilling can now be done in an "environmentally gentle" manner. They point to techniques such as directional drilling and the use of ice roads to make their case, but the sudden emergence of pipeline vulnerability has undercut those arguments.

A LEAKY CLAIM

Those who support oil drilling in the Arctic Refuge have also contended that the development footprint, and by inference the environmental impacts, will be limited to 2,000 acres. This claim has always been misleading because the language in legislation purporting to limit the footprint is vague and only refers to airstrips and the support piers or berms that hold pipelines off the ground.

In fact, because all recent legislation to authorize drilling in the refuge would specifically open the entire 1.5 million-acre coastal plain to drilling, the legislative intent is clear that the pipelines themselves are not restricted by the 2,000 acre language. It is the equivalent of saying a coffee table occupies 4 square inches because only the tips of the legs touch the floor. Roads, gravel mines, water treatment plants and exploration structures also are not limited by the language.

Still, drilling advocates continue to peddle the spin that drilling would be limited to 2,000 acres. A briefing paper put out in 2005 by the Senate Republican Policy Committee described the drilling footprint in the refuge as the equivalent of a single letter on a page of the *New York Times*.

Before the nation's year-long primer on pipeline vulnerability, courtesy of BP, it was at least plausible for lawmakers who voted to allow drilling in the Arctic Refuge to have been legitimately convinced by the 2,000-acre argument and to have overlooked the environmental threats posed by the pipelines. Not now.

In the leaky pipeline that prompted the Prudhoe Bay shutdown in August, a "smart pig" found over 5,000 areas of corrosion,

including 176 places where the corrosion had chewed through over 50 percent of the pipeline wall. Over the summer, BP had to shut down more than a dozen other wells because of leaks.

The massive oil spill last March was only discovered by chance after a worker happened to smell oil. BP estimated that the pipeline had been leaking for five days prior to the discovery of the leak. It was only dumb luck that the spill occurred near a road. Had the same leak occurred in a remote location it would have gone undetected for a much longer period of time.

Opening the 1.5 million-acre Arctic Refuge coastal plain to leasing and development would create an extensive web of pipelines crisscrossing the entire remote expanse of tundra, rivers and wetlands. Pipeline vulnerability must now be regarded as one of the most significant environmental risks associated with refuge oil development.

The 2,000-acre footprint claim, while always full of holes, has now finally bled out. It is no longer possible to assert it with even a modicum of credibility.

CRISIS OF FAITH

In addition to the 2,000-acre footprint claim, the other pillar of the “environmentally gentle” argument has been the assertion that North Slope oil drilling operations represent the “gold standard” in environmental care and diligence.

Drilling advocates, especially the Alaska congressional delegation, have assured Congress and the public that the oil companies are good and faithful stewards of the environment. For decades, they have dismissed concerns raised by environmental groups and whistleblowers about oil spills, risky cost cutting and lax maintenance.

In March 2005, while debating the Arctic Refuge drilling issue on the Senate floor, Senator Lisa Murkowski (R-AK) said, “The fact is, we have put environmental safeguards and standards on our industry unlike any other place in the world... We are not going to accept any kinds of spills... We are not going to accept any kind of environmen-

tal degradation... We are going to make sure you are going to do it right. If you are not going to do it right in our State, you are not welcome to do business.”

As it turns out, BP was not doing much of anything right. Even though a “smart pig” device revealed moderate corrosion in the western transit line (where the March oil spill occurred) in 1998, BP chose not to “smart pig” the line again until 2006—after the record spill. The eastern transit line, which had to be shut down in August, had not been “pigged” since 1992.

BP’s slipshod maintenance allowed corrosion-causing solids to build up in the pipelines for years. Additionally, BP was fined \$300,000 by the state of Alaska in 2002 for failing to comply with leak detection requirements. It was on criminal probation between 2000 and 2005 for illegally injecting toxic waste beneath the ice.

North Slope workers have long complained, often anonymously for fear of retribution, about BP’s risky cost-cutting practices, which are particularly troublesome given that the company has been raking in record annual profits—which in 2005 exceeded \$25 billion. If BP will not “do it right” with that kind of profitability, how can anyone expect better behavior in the future?

“For years...we have said the operations on Alaska’s North Slope are the gold standard. That’s what we believed; that’s what we want to continue to believe. But that faith has been shattered by what we’re seeing up north now.”

—Senator Lisa Murkowski (R-AK)

At a hearing on the Prudhoe Bay shutdown, Senator Murkowski acknowledged that her faith in BP had been misplaced: “For years

we've been told by the industry, and we have stood alongside—we have said the operations on Alaska's North Slope are the gold standard. That's what we believed; that's what we want to continue to believe. But that faith has been shattered by what we're seeing up north now."

THE CONSERVATIVE RESPONSE

Prudent decision-making requires consideration of all the facts. The years of negligence by BP, that company's apparent culture of indifference to safety and environmental management, the vulnerability of pipelines to corrosion, and the unreliable system of leak detection, all must be factored into any decision regarding North Slope oil production.

This is especially true regarding proposals to drill in currently protected sensitive areas such as the Arctic National Wildlife Refuge and the Teshekpuk Lake area. If the prospects of a single 2,000-acre footprint, "environmentally gentle" drilling, and the "gold standard" of corporate environmental stewardship influenced one's position on these issues, then clearly it is time to re-evaluate.

Conservatism favors ordered liberty that pairs freedom with responsibility. BP's failure to act responsibly argues for appropriate penalties and tighter regulations. The fact that BP successfully operated in an irresponsible manner for so long also raises serious questions about the state of Alaska's oversight ability. A state so heavily dependent on oil revenue is not in the best position to effectively supervise the oil industry.

Noted conservative scholar Richard Weaver warned of the "constant damage" done to society by a business mentality where "all of the virtues are subordinated to successful gain-getting." Unfortunately, this mentality is all too prevalent in the corporate culture of many companies today.

Conservatives must keep these tendencies in check, demand corporate responsibility, and guard against the inclination to always give businesses the benefit of the doubt. Nowhere is this truer than along Alaska's fragile North Slope, where what was perceived to be the gold standard has suddenly rusted away.



David Jenkins is the Government Affairs Director of Republicans for Environmental Protection (REP).

A Series of Unfortunate Events

Below are newspaper headlines chronicling the numerous major failures and mishaps in 2006 related to North Slope oil and gas production.

March 2:
Oil spill reported at Prudhoe Bay

An unknown quantity of crude oil spilled Thursday from a 34-inch diameter pipeline at the giant Prudhoe Bay field on the North Slope. Dangerous fumes were preventing crews from cleanup work. Crude oil could be seen on the snow-covered tundra.

—Anchorage Daily News

March 8:
Brutal cold challenges spill cleanup at Prudhoe Bay

Workers wore arctic gear and took frequent breaks to guard against frostbite, slowing the recovery of crude that leaked onto the snowy tundra from a ruptured transit line, spill responders said.

— Anchorage Daily News

March 10:
Oil spill is the North Slope's biggest ever

More than 200,000 gallons of crude leaked from a ruptured transit line onto the tundra in Alaska's Prudhoe Bay, making the spill discovered earlier this month the largest ever on the North Slope.

— Anchorage Daily News

Second spill reported on North Slope

State pollution regulators on Friday reported a new oil industry spill on the North Slope, this one in the Kuparuk oil field operated by Conoco Phillips Alaska Inc.

— Anchorage Daily News

March 14:
BP: Small leak caused by internal corrosion in Prudhoe pipeline

Inspectors at BP Exploration Alaska were aware of corrosion in a pipeline that was the source of a massive North Slope oil spill, but they did not expect it would advance as quickly as it did, oil industry officials said Tuesday.

— Anchorage Daily News

April 15:
Corrosion blamed for 2nd recent leak on Slope

Corrosion is to blame for a pipeline leak that sent hundreds of gallons of oily water onto the tundra last month in the Kuparuk River oil field, concludes a report this week from the Alaska Department of Environmental Conservation.

— Anchorage Daily News

May 9:
Corrosion puts two pipelines out of service

BP said Monday it is shutting down two North Slope oil pipelines because of internal corrosion damage, halting the flow of 22,000 barrels of crude daily.

— Anchorage Daily News

June 7:

BP to face criminal probe over US oil spill

BP is facing a criminal grand jury investigation into the biggest oil spill ever on US soil – a corroded transit line that leaked up to 270,000 gallons of crude in Prudhoe Bay, Alaska, triggering investigations by federal and state agencies.

— Financial Times

June 15:

BP hunts for site to dump pipe sludge

BP is scrambling to find a place to dump large volumes of sludge that have built up in its Alaska pipelines after the UK company failed to perform high-tech "pigging" cleaning and corrosion checks on some lines for up to 16 years.

— Financial Times

July 18:

BP Shuts Alaska Oil Wells On Whistleblower Action

BP PLC (BP) was forced to shut 12 more Alaskan oil wells Tuesday after whistleblowers said that about 50 were leaking, the Financial Times reported on its Web site Tuesday.

— Wall Street Journal

August 6:

BP shutting top US oil field Prudhoe Bay due to spill

Oil producer BP PLC said on Sunday it was shutting down the Prudhoe Bay oil field in Alaska, the biggest in the United States, cutting oil production by 400,000 barrels per day indefinitely. The closure was due to the discovery of severe corrosion and a tiny spill from a Prudhoe Bay oil transit line, BP said.

— Reuters News

August 10:

Five holes found in Prudhoe pipeline; small spots may be caused by bacteria hidden in pipe's sludge

The pipeline that sprang a leak over the weekend, triggering a convulsive shutdown of the huge Prudhoe Bay oil field, is pocked with at least five holes possibly caused by a virulent strain of corrosion, according to state and industry sources.

— Anchorage Daily News

August 14:

Pipeline leak proves "extremely embarrassing" for industry

On the eastern side of BP's Alaskan oilfield, the air is thick with the smell of oil. It has leaked out of a corroded pipeline just yards from a lake, where Arctic swan swim. A caribou grazes nearby... Before BP was able to place an emergency clamp over the hole a few days ago, 15 barrels had leaked.

— Financial Times

August 16:

BP Closes Pipeline in Prudhoe Field after Mishaps

A pipeline in the hobbled Prudhoe Bay oil field has been taken out of service after coming close to being smashed or broken open twice last week, according to a report in the Anchorage Daily News Wednesday.

— Dow Jones Newswires

August 23:

Prudhoe Bay production down again because of compressor problem

Production at the Prudhoe Bay oil field was further reduced Wednesday when a mechanical problem was discovered in a compressor, according to a spokesman for BP PLC, operator of the country's largest oil field.

— Anchorage Daily News

September 29:

Natural gas leak idles Lisburne field

BP was forced to shut down oil production in the Lisburne field Thursday after dangerous natural gas leaked into a manifold building, a key control facility.

— Anchorage Daily News

October 11:

Poor weather hits both ends of oil pipeline

Both the nation's largest oil field and the trans-Alaska oil pipeline that transports its crude oil were shut down Tuesday after poor weather caused havoc at both ends of the 800-mile pipeline.

— Anchorage Daily News

Prudhoe could remain shut down for days

Prudhoe Bay, the nation's largest oil field, will remain out of service for several days as BP workers try to restore reliable electric power to well pads, processing plants and other facilities, a company spokesman said Wednesday.

— Anchorage Daily News

BP, state face new questions

Four congressmen are asking a top BP executive and Alaska's top pollution regulator why the company didn't fully carry out a 2002 state order that might have prevented the calamitous partial shutdown of the nation's largest oil field in August.

— Anchorage Daily News

BP Might Have Withheld State Orders to Address Pipelines

BP officials might have withheld from congressional investigators a 2002 order by Alaskan officials to correct problems with two Prudhoe Bay oil pipelines.

— Congress Daily

October 31:

Corrosion infested Prudhoe pipeline; BP: A smart pig found more than 5,000 anomalies before August leaks

The leaky pipeline that led to this summer's market-rattling Prudhoe Bay oil field shutdown was far more severely corroded than initially reported.

— Anchorage Daily News

November 2:

Federal criminal investigation into corroded BP pipelines

The Energy and Commerce Committee of the U.S. House of Representatives is questioning the testimony of Alaska Department of Environmental Conservation commissioner Kurt Fredriksson...The committee alleges that Fredriksson was either untruthful or unaware of previous enforcement action against BP regarding the leaking pipelines.

— KTUU Television

BP – THE DO'S AND DON'TS OF "BEING PRUDENT"

by Jim DiPeso

Little mistakes can add up to big problems, as described colorfully in the old poem relating that "for want of a nail... the kingdom was lost."

In BP's case, for want of a "pig," pipelines and a reputation were lost on Alaska's North Slope last summer, along with millions of dollars in lost production and pipeline repairs. BP's prized image as a forward-looking, "beyond petroleum" corporation building the 21st century energy economy suffered a blow when the company was forced to partially close North Slope oil production in order to fix corroding oil transit pipelines. Inspections ordered by the federal government following a pipeline spill last spring showed that pipeline damage had built up undetected because BP managers made a judgment call that running corrosion detection "pigs" through a transit line was unnecessary.

As it turned out, that judgment call was not prudent. A lot of BP's judgment calls were not prudent. BP's failure to "pig" transit lines for more than 15 years resulted in huge sludge buildups. Whistleblowers let the cat out of the bag about dozens of leaky pipelines. Gas leaks. Compressor shutdowns. Damage far more extensive than initially reported. A little more prudence might have saved BP a great deal of money and embarrassment.

Prudence, which is the art of caution, foresight, and avoiding unnecessary risks in caring for resources, was described as the highest ranking of all virtues by Edmund Burke, the British statesman who was the intellectual founder of modern conservatism. In the context of modern business, prudence dictates that corporate executives reduce risks to bottom line, market share, and company image by minimizing harm to the environment that

their activities may cause. In turn, prudent environmental management is a sign of good management overall, delivering greater value to shareholders.

Dominion Power, a utility that serves Virginia and North Carolina, is taking just such an approach to managing its coal-fired power plants. Rather than spend time and money on lawyers to fight air quality standards, the company over the next decade will install pollution abatement equipment that will reduce emissions of sulfur dioxide (SOX) and nitrogen oxides (NOX) 80 percent and 74 percent, respectively, from 2000 levels. SOX and NOX condense in the atmosphere to form fine sulfate and nitrate particles that epidemiological studies suggest are linked to respiratory illness, heart disease, and premature death.

In addition, the equipment will cut mercury emissions, a neurotoxin that impairs the developing nervous systems of children in the womb, by 86 percent from 2000 levels. The utility also supported Virginia regulations that go beyond federal standards by requiring large mercury emitters, including Dominion, to comply by achieving actual mercury emissions reductions rather than by buying mercury emissions allowances, and to comply by 2015, three years ahead of the federal deadline.

The investments result from a 2003 legal settlement of a case that the Environmental Protection Agency filed against Dominion and other utilities over compliance with the Clean Air Act's provisions governing upgrades at old, coal-fired power plants. Dominion chose to settle rather than fight the cases in court. Dominion made a business judgment that corporate capital would be better used on operational improvements than protracted litigation. By thus achieving regulatory certainty, company executives can plan capital spending with reduced risk that the funds will be misallocated.

Prudent environmental management accomplishes more than avoiding harm, however. It can result in benefits, such as lower costs, higher profits, product improvement, and improved company image.

Pollution is waste and waste equals lost profit, an adage that the 3M Company has lived by for more than three decades. 3M's "Pollution Prevention Pays" program has avoided emission of more than 1 million tons of pollutants and saved the company more than \$1 billion. Between 1990 and 2000, for example, 3M reduced emissions of volatile organic compounds, which are ingredients in smog formation, by 93 percent. Since 1975, 3M has implemented more than 6,000 pollution prevention projects, ranging from simple operational changes to reduce packaging waste to reformulation of product chemistry in order to reduce air emissions.

3M's "Pollution Prevention Pays" program has avoided emission of more than 1 million tons of pollutants and saved the company more than \$1 billion.

More corporate executives are coming to the insight that occurred to 3M's executives in the 1970s. A study released recently by Siemens, a global energy and engineering technology corporation, found that many business leaders are incorporating "green" practices and building technologies into their strategies for growth. The study found that the majority of respondents believe that their companies will adopt green practices in the next three years. Nearly 60 percent believe that green building will lower company energy costs, one of the key drivers that has perked up business interest in environmentally sound technologies.

Good environmental management correlates well with good financial performance, according to a 2004 study prepared by Innovest, an investment advisory firm that focuses on risk management as a performance indicator, and by the Environment Agency, a public agency in the United Kingdom.

"The research findings in this report appear to directly counter a widespread misconception that paying close attention to an environmental governance strategy and environmental performance is at best a waste of time for investors, and at worst actively harmful to financial returns. In fact, the opposite is true. Improving environmental performance is an opportunity for business and creates competitive advantage," the report said.

For example, Baxter International has stood out in the health care industry for using strong environmental performance as a strategy to reduce liabilities and create greater value for shareholders. Between 2000 and 2002, waste reduction, water conservation, and energy efficiency saved the company nearly \$200 million, the report noted. The company has reduced risk exposure by cutting emissions of toxic air pollutants by 99 percent since 1988. Baxter has joined the Chicago Climate Exchange, where member companies voluntarily sign contracts to reduce greenhouse gas emissions. The exchange is a test bed where companies can plan for the likelihood of carbon emissions caps by finding the most effective ways of reducing heat-trapping emissions.

In the oil and gas sector, the study found that companies with high environmental performance standards tend to do better financially than companies with lower standards. In share price growth, for example, the top performers outdid the lower performers by 17.3 percent in the five years between 1997 and 2002. Among the oil and gas sector's top environmental performers during that period: BP.

BP would no doubt like to refurbish its image as a responsible oil company. If BP can improve its pipeline management, recover its stride, and re-affirm its identity as a careful business that is planning to prosper in a new economy of diversified energy choices, then BP someday may stand for something else—"being prudent."

★★★

Jim DiPeso is the Policy Director of Republicans for Environmental Protection (REP).

Leader Profile:

Representative Sherwood Boehlert (R-NY)

by REP President Martha Marks

I've always been taken with the story of the Little Dutch Boy, who spotted a potentially life-threatening leak in the dike that protected his Low Country nation from the sea and, with no tools or resources but his own small finger, made a heroic and successful effort to stop the impending flood.

That parable is a fitting one to recall this fall as Congressman Sherwood Boehlert retires—*voluntarily!*—after twenty-four years of service in the House of Representatives. I say that because Mr. Boehlert, perhaps more than any other congressman in history, was responsible for stopping a torrent of anti-environmental, anti-conservation legislation proposed by his colleagues.

Early in the GOP's mid-'90s majority years, like the Little Dutch Boy, Boehlert stopped a flood of bad legislation, rallied like-minded colleagues to promote better laws, and generally saved our nation from the power of anti-environmental zealots. More recently, as chairman of the House Science Committee, he has used his position to advocate science-based legislation and defend American scientists from political bullies.

I first met Congressman Sherwood Boehlert in the fall of 1995, when the Newt Gingrich Congressional majority and Republicans for Environmental Protection (REP) were both less than a year old.

I had heard much of this man who shared my belief that the Republican Party was straying far from its traditional roots and just might, with a lot of persistent, nagging encouragement, be persuaded to turn back to the philosophy that had once made it a standout leader in natural resource conservation and environmental protection. Being a county commissioner from Illinois and not a constituent, I had not expected to meet with Mr. Boehlert in person. Yet there he was in his Capitol Hill office, sitting in the chair opposite me, graciously listening to my ideas for a nationwide grassroots organization that would work with him and others to resurrect the Republican Party's great conservation tradition.

In the ensuing years, REP's relationship with Rep. Boehlert continued to be supportive and appreciative on both sides. In 2003, he flew across the country to San Diego to attend a reception we hosted in his honor and deliver the keynote speech* at our annual conference. In 2004, the REP Conservation Fund returned the favor by conducting its first independent expenditure campaign to make sure he bested an anti-environmental GOP primary opponent. In April 2006, REP named him "Best in Congress" for his better-than-perfect score of 108 on our first Congressional Scorecard. This fall, Boehlert gave us a great boost by repeatedly mentioning REP in a New York City speech and writing a testimonial in support of our work.

10 * www.rep.org/news/GEvol7/ge7.2_Boehlert_speech.html

Dutch legend has it that there was once a small boy who upon passing a dike on his way to school noticed a slight leak as the sea trickled in through a small hole. Knowing that he would be in trouble if he were to be late for school, the boy poked his finger into the hole and so stemmed the flow of water. Some time later a passerby saw him and went to get help. This came in the form of other men who were able to effect repairs on the dike and seal up the leak.

This story is told to children to teach them that if they act quickly and in time, even they with their limited strength and resources can avert disasters. The fact that the Little Dutch Boy used his finger to stop the flow of water, is used as an illustration of self-sacrifice. A physical lesson is also taught: a small trickle of water soon becomes a stream, the stream a torrent, and the torrent a flood sweeping all before it, dike material, roadways and cars, and even railway tracks and bridges and whole trains.

"The Little Dutch Boy"
by Peter Miller
Encyclopedia Mythica

In this space, I can only skim the surface of Congressman Boehlert's efforts to protect the health, safety and quality of life for Americans. Here are a few environmental highlights of his career.

In 1990, Boehlert was instrumental in authoring and passing amendments that strengthened the Clean Air Act by significantly reducing the harmful emissions that cause acid rain and proving the success of a cap-and-trade system of addressing pollution. In addition, the amended Clean Air Act required cleaner motor vehicle fuels and controls on mercury and other airborne toxins.

In 1995, Boehlert led the successful effort to block 17 appropriations riders—dubbed the “riders from hell”—that would have significantly weakened the Environmental Protection Agency's enforcement authority. With this success, Boehlert and his allies took the wind out of the sails of anti-environmental radicals bent on dismantling the framework of national environmental laws that President Nixon and other conservatives had helped build.

One of those laws is the Endangered Species Act (ESA). Boehlert has stoutly defended ESA against attempts to eviscerate it. In 1997, he won passage of an amendment to narrow the scope of HR 478, which would have allowed waivers of ESA standards for projects in waterways. In 2005, Boehlert co-authored an amendment to eliminate provisions of another ESA assault sponsored by Rep. Richard Pombo (R-CA), which would have gutted ESA and created an entitlement program for developers. Even though Boehlert's amendment narrowly



At our April 2006 Capitol Hill press conference, four REP leaders were among the crowd of people who celebrated Rep. Sherwood Boehlert's outstanding career as a Republican conservation leader. From left: Government Affairs Director David Jenkins, Director Robin Tynner, President Martha Marks, Congressman Boehlert, and Alaska Coordinator Joe Geldhof.

failed, its strong bi-partisan support helped doom the Pombo bill in the Senate.

As chairman of the House Science Committee, Boehlert has been an outspoken advocate for investments in scientific research, including improved human understanding of global climate change. Since 2003, to educate his colleagues, he has led a series of congressional delegations to Antarctica so they could see first-hand the importance of climate research. His most recent trip earlier this year included 10 members of Congress, only three of whom were already convinced that human impacts on climate posed a serious threat. When they returned, all 10 were convinced.

See our 2005 Scorecard** for this and other examples of Boehlert's recent leadership.

** www.rep.org/scorecard.html

continued on the back page

“Republicans for Environmental Protection is proof that our party's great conservation heritage—started by TR—lives on for the ages. It was Roosevelt who introduced the subject as a key component of our national agenda as thoughtful Republicans. And it is can-do, dedicated people, like those associated with REP, who are carrying that legacy forward. All conservation-minded Republicans should be members of REP.”

—Congressman Sherwood Boehlert

Leader Profile: Rep. Sherwood Boehlert

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I'll end with two good examples of Science Committee Chairman Boehlert in action. In 2005, Boehlert called Texas Congressman Joe Barton on the carpet for his witch hunt targeting climate scientists and their "hockey stick" graph documenting the rise in global average temperatures.

And last spring, when a top climate scientist, James Hansen, accused NASA of stifling his statements on climate change, Boehlert wrote to the NASA administrator: "When it comes to an issue like climate change, a subject of ongoing public debate with immense ramifications, the government ought to be bending over backward to make sure that its scientists are able to discuss their work and what it means."

We owe so much to Sherwood Boehlert's courage and character, not unlike that of the Little Dutch Boy. REP is something of a Little Dutch Boy, too, so it's hard to imagine going on without our best ally in Congress. But we wish him happiness and continued success in the next stage of his life.



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About ConservAmerica

ConservAmerica is a charitable, non-profit, non-partisan organization dedicated to building a conservative constituency for conservation. It offers conferences and workshops and produces topical publications like *Conservation is Conservative!*[™] and *For Spacious Skies: A Conservative Citizen's Guide to Clean Air*.

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About Republicans for Environmental Protection

Republicans for Environmental Protection (officially named **REP America**) is a non-profit membership organization dedicated to restoring the Republican Party's great conservation tradition. Its signature publication is *The Green Elephant*.

For more information—or to join REP—please visit www.rep.org or call 505-889-4544.

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