### 2AC T – Energy Production

#### We meet – the moratorium is a restriction on the production of natural gas – this is contextual evidence

**Bernstein, ‘6** Dr. Bernstein is a Visiting Professor of Philosophy at Marist College; he also teaches at SUNY Purchase (which selected him Outstanding Teacher for 2004) and formerly at Pace University, and Marymount College (which selected him Outstanding Teacher for 1995). Dr. Bernstein lectures regularly at American universities and appears frequently on the radio talk shows. His op-eds have been published in such newspapers as The San Francisco Chronicle, The Chicago Tribune, The Baltimore Sun, The Atlanta Journal-Constitution, The Washington Times, The Los Angeles Daily News, and The Houston Chronicle. (Andrew Bernstein, The Arlington Times, 2 June 2006, “Bush and Congress Should Life Environmental Restrictions on Energy Production,” Print)//CC

In addition to the moratorium on offshore drilling, the federal government repeatedly refuses to permit oil drilling in Alaska's National Wildlife Refuge (ANWR). Geologists claim that ANWR holds seven billion barrels of oil, enabling it to add significantly to American energy production. Further, in large measure due to environmental restrictions, America has not built a new oil refinery for more than 25 years, meaning a diminished ability to refine crude oil into gasoline, diesel, jet fuel, heating oil, and other petroleum products. Our refineries run at capacity constantly, making repairs difficult, leaving them more susceptible to breakdowns and fires, and--with most centered in the Gulf of Mexico--leaving the country's supply of refined oil vulnerable to such natural disasters as Katrina. Additionally, regulations have made building new nuclear power plants economically uninviting--despite the fact that nuclear plants, operated in free countries, where top minds are liberated to create advanced technology, have proven their reliability and safety. In France, for example, nuclear power provides roughly two-thirds of the nation's electricity. American nuclear plants have had, and continue to show, a superb safety record--and this includes Three Mile Island, whose 1979 partial meltdown led to no deaths or injuries. Finally, environmental restrictions also limit production of natural gas, which currently supplies 25 percent of the energy Americans consume, a figure that will rise in the future. Huge natural gas reserves in places such as the Rocky Mountain basins, Alaska, and the Outer Continental Shelf are either "off limits" or have their development severely restricted. These unnecessary restrictions endure despite the fact that the wholesale price of natural gas has quadrupled since the 1990s. As an example of the hurdles placed in front of natural gas companies, producers in Wyoming's Powder River Basin, which holds 39 trillion cubic feet of gas, several years ago saw the federal government suspend the issuing of drilling permits pending the outcome of a second "environmental impact" study. Is this kind of treatment going to encourage more companies to get into the energy business?

#### Counter-interpretation—primary energy includes extraction and transformaion

Sara Øvergaard (Senior Executive Officer in the Department on Energy Statistics at Statistics Norway) September 2008 “Issue paper: Definition of primary and secondary energy” <http://unstats.un.org/unsd/envaccounting/londongroup/meeting13/LG13_12a.pdf>

In this paper we argue that a definition of primary and secondary energy should be founded on the laws of physics and be operational. The most important characteristics that distinguish primary from secondary energy are related to the processes undertaken to make use of the energy in the source or commodity. These processes are collection and extraction for primary energy and transformation for secondary energy. Other important aspects include that these processes are initiated by humans, and that they are undertaken for energy-purposes. For primary energy, as a staring point for discussion, we have a proposal for a new definition: “Primary energy is energy embodied in sources which involve human induced extraction or capture, that may include separation from contiguous matrial, cleaning or grading, to make the energy available for trade, use or transformation” and for secondary energy: “Secondary energy is energy embodied in commodities that comes from human induced energy transformation”

#### Solves limits

Kim Woodard (Research Assistant at the Resource Systems Institute of the East-West Center, Chairman and CEO of Javelin Investments) 1980 “The International Energy Relations of China” p. 457

Secondary energy production can most easily be defined as the conversion of one energy fuel to another. As such, it is a catch-all category that can be used to provide a cluster of statistical energy production series that do not easily fall into either primary production or energy consumption categories. The number and variety of secondary energy production statistics could be multiplied indefinitely by an ever sharper differentiation of substages in the flow of energy commodities through society. I have chosen co include just a few forms of secondary energy production in this analysis—coke production, thermal electric power generation, total electric power generation, total refined petroleum production, the differentiated production of petroleum fuels, plant use of energy in energy production, and the use of hydrocarbons in the production of petrochemical and fertilizer feedstocks. These were statistics that were available for the Chinese case or could be generated by inference from primary energy data and a few oversimplified assumptions. All the secondary energy production statistics presented in this section were generated by the computer and then rounded to a reasonable level of approximation. All the statistics presented for various forms of secondary energy production are general estimates, and none have been tested directly against whatever data exist in the Chinese press. Validation of the statistics would require separate in-depth analysis of each secondary energy production industry—a task far beyond the means of this book. These statistics, therefore, should be taken as a point of reference, not the final word.

#### Their interp is arbitrary—transformation of natural resources is topical

Batelle (the world’s largest nonprofit research and development organization, specializing in global science and technology) 1980 “An Analysis of Federal Incentives Used to Stimulate Energy Production” p 22 http://www.scribd.com/doc/67538352/Federal-Incentives-for-Energy-Production-1980

Discussing governmental actions in a field that lacks consistent Policy is difficult, since boundaries defining energy actions are unclear. All governmental actions probably have at least some indirect relevance to energy. if a consistent Policy did exist, the discussion could focus on those actions that are part of the planned and consistent program. For this analysis, however, boundaries must be somewhat arbitrarily defined. First, this discussion will include only those actions taken by the Federal Government; relevant actions of state and local governments are not considered. Second, the discussion covers only those Federal Government actions In which major causes include to influence energy or major effects included some Influence on energy. Within those limits, the discussion considers actions related to both production arid consumption, although production receives the most emphasis. It also includes actions relating to both increases and decreases in energy consumption or production. Energy production is defined as the transformation of natural resources into commonly used forms of energy such as heat, light, and electricity. By this definition, the shining of the sun or the running of a river are not examples of energy production, but the installation of solar panels or the construction of a hydroelectric dam are. Energy consumption is defined is the use of one of these common, manufactured forms of energy. Under this definition sunbathing Is not energy consumption, but heating water by means of a solar panel is In both definitions, the crucial ingredient is the application of technology and resources to change a natural resource into a useful energy form.

### Obama Good

#### Fiscal cliff wont pass – Boehner sent the signal HOURS ago

Jake Sherman (writer for Politico) October 6, 2012 (2:28 ET) “Boehner wary of lame-duck deficit deal” http://www.politico.com/news/stories/1012/82105.html?hp=t1

For everyone pining for a sweeping deficit deal after the election, Speaker John Boehner has a message. Don’t hold your breath. In an interview here, the Ohio Republican said cobbling together a large-scale deal during the lame duck session of Congress would not only be hard, but also the wrong thing for the country. “I think that’s difficult to do,” Boehner said when asked about the prospects for a large-scale deficit deal in November and December. “You know, and frankly, I’m not sure it’s the right thing to do – have a lot of retiring members and defeated members voting on really big bills. Eh, probably not the appropriate way to handle the lame duck.” (Also on POLITICO: Simpson-Bowles comeback) Boehner’s remarks represent the most public – and serious – signal from the speaker about how he’s thinking about the lame-duck session of Congress. The comments could stoke further doubts about what kind of deal the parties can hatch in the critical weeks between Election Day and the new year. While the nation remains entranced by the races for the White House and Senate, Capitol Hill insiders are sitting tight, waiting for the legislative war that will decide tax rates on all Americans and the scope of federal spending. Boehner isn’t saying nothing will get done – in fact, he’s not making any proclamations about the prospect of a compromise with Democratic Leader Harry Reid of Nevada, Republican Leader Mitch McConnell of Kentucky and whoever occupies the White House . What he is saying is that he thinks is that the time is too short for something large – and more significantly, that he’s morally opposed to lawmakers with one foot out the door making decisions on behalf of the nation. That could seriously limit options for avoiding the so-called “fiscal cliff.” The speaker’s remarks were a peak inside the mind of one of the most important decision makers in D.C. What Congress decides to do about expiring tax rates, cuts to both defense and domestic spending, the debt ceiling and a host of other expiring provisions will reverberate not only in Washington but on Wall Street and across the world. There’s a whole menu of options available to Congress and the White House as they try to avoid the fiscal cliff. One, which Boehner seems to be ruling out, is to fashion a massive debt compromise in November and December.

#### Won’t pass now

Scott Shane (writer for Terra) September 30, 2012 “Should Small Business Fear the Fiscal Cliff? (Opinion)” http://news.terra.com/should-small-business-fear-the-fiscal-cliff-opinion,ee822291a771a310VgnVCM10000098cceb0aRCRD.html

It’s difficult to envision a political solution that keeps the U.S. from going over the fiscal cliff. Right now Congress is in full election mode and won’t do anything but posture before Nov. 6. Even after the election, a lame-duck Congress is unlikely to act. Moreover, no matter how the election turns out, action in January seems unlikely. The Democrats are unlikely to reverse the tax increases that contribute to the fiscal cliff if they control the presidency and both houses of Congress come January. A government divided between the two major parties would be unlikely to agree on taxes and government spending. And while the Republicans might reverse the tax increases that contribute to the fiscal cliff if they control both houses of Congress and the presidency in 2013, the Tea Party wing of the GOP isn’t likely to agree to reversing scheduled spending cuts. If the Las Vegas bookmakers will take the bet, putting money on the economy going over the fiscal cliff and returning to recession in 2013 is (sadly) a good wager.

#### Wont pass now – not time or political will

James Politi (writer for the Financial Times) September 30, 2012 “Debt limit lurks in fiscal cliff talks” http://www.ft.com/intl/cms/s/0/157f7090-0b17-11e2-afb8-00144feabdc0.html#axzz289xY4ulb

Congress is unlikely to reach an agreement to increase the US debt ceiling during the “fiscal cliff” negotiations at the end of year, raising the prospect of a fresh perilous brush with default in early 2013. According to several lawmakers, congressional aides and analysts, there is scant probability that US lawmakers will have the political will – or time – to include a rise in the US borrowing limit as part of the talks to avoid the fiscal cliff.

#### Link turn and non-unique – recent vote counts prove

Natural Resources Committee (Congressional Committee – Headed by Chairman Doc Hastings) June 21, 2012 “House Passes Bipartisan Bill to Boost American Energy Production and Job Creation” http://naturalresources.house.gov/News/DocumentSingle.aspx?DocumentID=300321

Today, the House of Representatives passed H.R. 4480, the Domestic Energy and Jobs Act, with a bipartisan vote of 248-163. This bipartisan package of bills will expand American energy production on federal lands and create new American jobs by streamlining government red-tape and regulations. It will also set long term production goals to establish a real all-of-the-above American energy plan.

#### Link turn – oil lobbies control Congress, the White House, and agencies – they support the OCS

**Broder and Krauss, 5/23** political and business correspondents covering energy (John M. Broder and Clifford Krauss, The New York Times, 23 May 2012, “New and Frozen Frontier Awaits Offshore Drilling,” http://www.nytimes.com/2012/05/24/science/earth/shell-arctic-ocean-drilling-stands-to-open-new-oil-frontier.html?pagewanted=1&\_r=1&hp)//CC

Mr. Obama took office under the watchful gaze of environmentalists who had supported him and an oil industry that feared he would rescind its subsidies and push climate change legislation. ExxonMobil and other major oil companies spent millions of dollars to ensure that such legislation never passed. Shell took a different tack. Even before Mr. Obama’s election, the company joined the United States Climate Action Partnership, a coalition of businesses and environmental groups advocating a response to global warming. It was a canny move, calculated to gain access to top policy makers, including the president. “It helped people look at us differently and helped open doors,” Mr. Odum said. “I do not think there is any doubt about that.” Shell employs three dozen lobbyists, according to government disclosure records. It spent $4.5 million on lobbying in 2008, the last year of the Bush administration. Lobbying costs leapt to $10.2 million in 2009, $10.4 million in 2010 and $14.8 million last year. In the Obama administration’s first two and a half years, Mr. Odum visited the White House at least six times, according to federal records. In 2010 and 2011, Sara B. Glenn, a top Shell lobbyist, was cleared into the executive complex 13 times, to meet with Ms. Zichal and others. The intensity of Shell’s campaign was matched by the fervor of Mark Begich, the new senator from Alaska. He had won his seat in something of a fluke, defeating the longtime Republican incumbent, Ted Stevens, who was ensnared in what later turned out to be a deeply flawed Justice Department corruption investigation. No politician in Alaska can survive as an opponent of any oil development, including those in the waters of the Arctic, the National Petroleum Reserve and the Arctic National Wildlife Refuge. Mr. Begich enthusiastically supported all three. When he first met Mr. Obama at a mayors’ conference in June 2008, Mr. Begich said, he told him, “If I’m elected, this is what I’m going to focus on.” Being a crucial Democratic vote in a narrowly divided Senate representing a decidedly Republican state gave Mr. Begich leverage. Whenever the president called to court his support — on health care, climate change, the debt ceiling or budget matters — Mr. Begich always turned the discussion to oil and gas in Alaska, particularly Arctic exploration. “Any time he initiated a call, I felt that was carte blanche to make my case,” Mr. Begich said. A chronology of his contact with the Obama administration on Arctic oil issues fills six pages. He came to believe that his re-election hinged on delivering a reluctant president on oil issues, particularly drilling on the Outer Continental Shelf in the Arctic. A Begich aide said that the unstated premise of every conversation with the president was, “You need me, and I need the O.C.S.” The senator said he remained unsure of Mr. Obama’s intentions until the spring of 2011, when the president called to discuss budget negotiations with Republicans, and Mr. Begich again pressed him on oil. “He said, ‘I’m with you 60 or 70 percent,’ ” Mr. Begich said. “What that meant to me was he was going to approve everything except A.N.W.R.,” the Arctic wildlife refuge. He was right. Shell also kept up a steady flow of visits, letters and calls to the agencies that could grant or deny the myriad permits it needed in the Arctic. Over time, Shell’s proposal had expanded to include a total of as many as 10 test wells in the Beaufort and Chukchi Seas over two years. A company lobbyist said that the most resistance came from the National Oceanic and Atmospheric Administration, which had the singular mission of protecting whales and other sea mammals.

#### Normal means is Obama taking deliberate measures to avoid spending political capital – court nomination decisions prove

Mark Russell (writer for Newser) August 18, 2012 “Obama Way Behind Bush, Clinton on Picking Judges” <http://www.newser.com/story/152360/obama-lets-judicial-picks-slide-in-first-term.html>

In a deliberate strategy designed to save political capital, President Obama has nominated dozens fewer federal judges than either George W. Bush or Bill Clinton did in their first terms, potentially greatly reducing his long-term judicial impact on the United States, reports the New York Times. So far, Obama has appointed 125 federal district court judges, compared to Clinton's 170 and Bush's 162 at similar points in their first terms. In addition, Obama's picks have been on average four years older than Bush's and more moderate, further reducing his impact. "The White House in that first year did not want to nominate candidates who would generate rancorous disputes over social issues that would further polarize the Senate," says Gregory B. Craig, Obama’s first White House counsel. Nevertheless, Republicans often used Senate procedures to significantly delay even uncontroversial nominees. Defenders point out that Obama has nominated two Supreme Court justices already, the same number Clinton and Bush did over their two terms in office, and Obama's 30 appeals court judges is about the same as his predecessors.

#### Plan is spun as increasing competitiveness – ensures broad support

Curry L. Hagerty (Specialist in Energy and Natural Resources Policy at the Congressional Research Service) June 15, 2010 “Outer Continental Shelf Moratoria on Oil and Gas Development” http://crs.ncseonline.org/nle/crsreports/10Jul/R41132.pdf

Global economic factors play a major role in deliberations about OCS drilling activity. At the end of FY2008, annual moratoria expired amid global economic turmoil and calls for greater stability in the national economy.11 Congress consistently finds that domestic oil and gas development is vital to the nation, despite disagreements over the economic feasibility of specific oil and gas development projects.12 Development advocates raise competitiveness arguments, specifically claiming that other coastal countries are allowing greater access to offshore resources and that the United States should not fall behind in the international race to develop offshore resources because of concerns about the marine environment. Those in favor of OCS drilling observe that on a global scale, the use of drilling restrictions is changing, and that continuing an annual congressional moratorium, for example, would be out of step with policies being considered by other countries engaged in OCS development.13 Concerns about competitiveness influence congressional consideration of OCS development policy in legislative proposals and consideration of international treaties and conventions addressing OCS governance.

### --AT: Fiscal Cliff – Heg

#### Seriously, no impact

Lawrence Korb (former assistant secretary of defense in the Reagan administration, is a senior fellow at the Center for American Progress) September 9, 2012 ‘Cuts Would Not Affect Security” http://www.nytimes.com/roomfordebate/2012/09/09/how-big-should-the-defense-budget-be/cuts-would-not-affect-security

But the United States can afford defense cuts, without undermining national security, for four reasons:¶ First, the United States has just gone through an enormous defense buildup. The budget increased, in real terms, for an unprecedented 13 straight years between 1998 and 2012. Even during the Reagan buildup, defense spending grew for only four years before dropping back to more sustainable levels.¶ Second, the cuts being discussed are smaller than they seem. The first $500 billion come from projected growth, so the budget will fall by just $6 billion next year and then grow at about the same pace as inflation. Even with sequestration, defense spending would be brought back only to its 2006 level in real terms -- more than we spent on average under Presidents Ronald Reagan and George H. W. Bush.¶ Third, ending this indiscriminate growth will force the Pentagon to manage its funds more carefully. Over the past decade, the Pentagon squandered $46 billion on weapons it later canceled, and let half its procurement programs balloon beyond their original budgets.¶ Finally, we face a world with relatively few major threats. And even with sequestration-size cuts, we would still account for more than 40 percent of the world’s defense spending, and our allies would account for about half of the rest.

### 2AC Obama Good

#### Romney win – voter suppression

**Levine, 10/3**/12 – contributing editor of the Washington Monthly, (Art, Three Ways Romney Can Still Win the Election, Huffington Post, <http://www.huffingtonpost.com/art-levine/can-democratic-convention_b_1860015.html>)

Even if these assorted voter intimidation and purging plans are just bluster or don't get fully implemented, they can still stoke fears among minority groups and drive down turnout: Mission Accomplished.

In Florida, the alleged GOP-paid registration scheme to, in part, submit erroneous, forged Democratic forms is a yet another sign of how eager Republican operatives are to force eligible voters off the rolls. Failing that, they'll settle for dubious challenges that will force Democratic-leaning voters to cast provisional ballots if their IDs don't match the information on the voting rolls. There's a good reason such ballots are also known as "placebo" ballots. In the 2008 election, only half of provisional ballots were counted in Florida, and with all the new change in Florida laws and rulings, nearly ten times as many provisional ballots -- 300,000 -- are expected to be cast, with similar potential for "chaos" and delays in such vital states as Pennsylvania, Wisconsin and Virginia because of changed laws, elections experts say.

"It's a possibility of a complete meltdown for the election," Daniel Smith, a political scientist at the University of Florida, told the AP.

All these signs indicate that the relatively narrow margins favoring Obama in most national and battleground state polls don't seem to reflect the real-world conditions that could potentially lead to a surprise Romney victory. Even with some brand new polls showing President Obama widening his apparent lead in Ohio and Florida, Obama faces what investigative reporters Harvey Wasserman and Robert Fitrakis in their new book call a "gentleman's handicap" of five to ten percent. That's due to assorted fair voting barriers -- from new photo ID requirements and extensive voters purges to restricted early voting and flawed paperless voting machines and procedures --in most of the critical battleground states.

#### Eurozone action will outweigh the plan

**Weisenthal, 9/26**/12 - Prior to joining Business Insider in October 2008, Joe was a correspondent for paidContent.org, as well as the Opening Bell editor at Dealbreaker.com. He previously was a writer and analyst for Techdirt.com, and before that worked as an analyst for money management firm Prentiss Smith & Co (Joe, “We're Getting A Glimpse Of Barack Obama's Worst Nightmare” Business Insider, http://www.businessinsider.com/obamas-worst-nightmare-2012-9#ixzz289W0KygN)

This doesn't necessarily seem likely, but the latest turns and twists of the global economy open up a scenario whereby markets could get really ugly between now and the election.

Basically, we present a plausible scenario in which things get bad on two fronts. The scenario is based on developments over the last several days.

Here's how it could go:

First, Europe really stalls out.

Thanks to the political crisis in Spain, suddenly it's not clear if the ECB's powerful bond buying program will ever get off the ground.

Remember, the ECB has announced a plan to backstop government bonds, but it needs the countries to request aid and submit to outside fiscal supervision. Because of mass protests, and a burgeoning secession movement in Catalonia, Spanish PM Mariano Rajoy is very reluctant to ask for a bailout unless it's absolutely necessary. He'd like to delay the request as long as possible.

In addition, you have heightening squabbles over what will be done with Greece (raising the specter that it will leave the Eurozone). There are more and more reports about HUGE holds in the government's budget, and the various creditor parties are fighting about who will take the hit. The specter of Greece leaving the Eurozone is rising.

This could then start hitting markets in the US. Actually that already seems to be happening. The market's dropping. And now we no longer have an implied "put" from the Fed, since it's already blown its wad (or so it seems) with the announcement of open-ended QE.

Already, the market has been weak since QE3 was announced, and in particular, the oil & gas/basic materials stocks that people associate with reflation have been weak.

Those two sectors, which are supposed to rise on successful reflation, make up 2 out of 3 of the worst performing S&P sectors today.

This could be a nothing blip, but a series of weeks like this one (riots in Europe, which inevitably remind people about government debt) and markets in the US reacting badly could be the "October Surprise" that Romney needs to win.

#### There aren’t enough undecided voters to matter and they aren’t paying attention

**Silver, 10/4/12** – statistician (Nate, “Polls Show a Strong Debate for Romney” <http://fivethirtyeight.blogs.nytimes.com/2012/10/04/polls-show-a-strong-debate-for-romney/?utm_source=twitterfeed&utm_medium=twitter>)

Second, head-to-head polls throughout the election cycle have been hard to influence for any reason. There are few undecided voters remaining — and undecided voters may be less likely than others to have actually watched the debates.

#### Link turn – polls prove the plan is overwhelmingly popular and is a major election issue – Gulf Spill irrelevant

**Dlouhy, 8/14** staff writer (Jennifer A Dlouhy, FuelFix, 14 August 2012, “Survey says voters back offshore drilling,” http://fuelfix.com/blog/2012/08/14/survey-says-voters-back-offshore-drilling/)//CC

Roughly seven out of 10 voters support changing U.S. policy to allow more oil and natural gas development along the nation’s coastline, according to a new Harris Interactive poll released today. That matches the level of support for offshore drilling that was documented by other polls conducted before the Deepwater Horizon disaster two years ago briefly turned some Americans off to the idea. In the wake of the 2010 oil spill, support for offshore drilling declined slightly, according to some surveys. For instance, Rasmussen Reports found that 56 percent of U.S. voters it surveyed in July 2010 backed offshore oil drilling. The new survey of 1,016 registered voters, conducted Aug. 9-12, was commissioned by the American Petroleum Institute to broadly assess views about energy policy less than three months before the presidential election. Not surprisingly, 92 percent of the voters surveyed in the poll said “energy security and producing more oil and natural gas here at home” was somewhat or very important to them as they looked ahead to the election in November. Jack Gerard, president of API, told reporters in a conference call Tuesday that the poll shows “the vast majority” of Americans support boosting access to domestic oil and natural gas resources.

#### No link – expanding drilling gives Obama election cover

**Broder and Krauss, 5/23** political and business correspondents covering energy (John M. Broder and Clifford Krauss, The New York Times, 23 May 2012, “New and Frozen Frontier Awaits Offshore Drilling,” http://www.nytimes.com/2012/05/24/science/earth/shell-arctic-ocean-drilling-stands-to-open-new-oil-frontier.html?pagewanted=1&\_r=1&hp)//CC

But the president concluded that the reward was worth the risk, and created an unusual interagency group, overseen by Heather Zichal, who was an environmental adviser to the Obama campaign, to clear Shell’s path through the often fractious federal regulatory bureaucracy. Mr. Obama has long viewed offshore oil resources as insurance against global supply disruption as well as a component of an energy strategy that includes renewable sources, conservation and innovative technologies. ¶ The move also provides the president a measure of political cover. “Alaska tends to be a litmus test for the energy debate,” said Amy Myers Jaffe, director of energy policy research at Rice University. “When Romney says the president is anti-drilling and causes high gas prices, Obama can turn around and say, ‘I approved drilling in Alaska.’ ”

#### Obama support for natural gas now – new executive order

**Pentland, 8/30/12** – Contributor to Forbes (William, Forbes, “Obama's Energy Policy: 'All of the Above' Means 'All of the Above'”

<http://www.forbes.com/sites/williampentland/2012/08/30/obamas-energy-policy-all-of-the-above-means-all-of-the-above/>

Say what you will about the Democratic Party, President Obama is walking the chalk on his promise to pursue an “all of the above” energy policy for the United States.¶ In an Executive Order signed today, Obama ramped up federal support for combined heat and power (CHP) by calling for a “national goal of deploying 40 gigawatts of new, cost effective industrial CHP in the United States by the end of 2020.”¶ Amen to that.¶ CHP, also known as cogeneration, is a specific genre of distributed generation, which is sited at or near the point of consumption. Unlike other forms of DG, CHP is not a single technology but a suite of technologies that produce electricity and heat in an integrated process. The result of combining these processes in a single system is higher efficiency, lower emissions and greater productivity.¶ The vast majority of CHP systems rely on natural gas. This has created enormous political resistance to CHP amongst orthodox environmentalists and ideologically-deluded advocates of renewable energy. Despite strong support from groups like the American Council on An Energy Efficient Economy, the Obama administration has tended to treat CHP like the necessary evil of clean energy. Too compelling to ignore and too explosive to engage.

### --AT: China Trade

#### Romney wouldn’t start a trade war with China if elected

**Politico, 9-15-12**, p. http://www.politico.com/news/stories/0912/81254.html

Mitt Romney is hoping his tough talk on China policy will win him votes — but few of his big business donors or fellow Republicans support what he’s saying or believe he’d follow through if elected.¶ And if he did, many analysts say, he’d likely spark a disastrous and counter-productive trade war that would hurt both American consumers and the workers he says he’s trying to protect. But Romney advisers say voters shouldn’t expect him to back off the tough talk if he gets elected, and other experts say fears of a “trade war” are overblown since the Chinese need the American market just as much consumers like cheap Chinese imports.

### 2AC Productionism K

#### Framework – the k needs to prove the whole plan is bad– any other interp moots aff offense and decreases policy education – critique alone isn’t enough to solve

**Kuzemko 12** [Caroline Kuzemko, CSGR University of Warwick, Security, the State and Political Agency: Putting ‘Politics’ back into UK Energy, <http://www.psa.ac.uk/journals/pdf/5/2012/381_61.pdf>]

Both Hay (2007) and Flinders and Buller (2006) suggest that there are other forms that depoliticisation can take, or in the terminology of Flinders and Buller ‘tactics’ which politicians can pursue in order to move a policy field to a more indirect governing relationship (Flinders and Buller 2006: 296). For the purposes of understanding the depoliticisation of UK energy policy, however, two of Colin Hay’s forms of depoliticisation are most useful: the ‘… offloading of areas of formal political responsibility to the market…’ and the passing of policymaking responsibility to quasipublic, or independent, authorities (Hay 2007: 82-3). 1 What each of these forms of depoliticisation has in common is the degree to which they can serve, over time, to reduce political capacity by removing processes of deliberation and contestation, thereby reducing the ability for informed agency and choice. In that politics can be understood as being inclusive of processes of deliberation, contestation, informed agency and collective choice the lack of deliberation and capacity for informed agency would result in sub-optimal politics (Hay 2007: 67; cf. Gamble 2000; Wood 2011; Jenkins 2011). There seems little doubt that, with regard to energy as a policy area, the principal of establishing a more indirect governing system had become accepted by UK political elites. One of the very few close observers of UK energy policy from the 1980s to early 2000s claims that both Conservative and New Labour politicians had actively sought to remove energy from politics, making it an ‘economic’ subject: From the early 1980s, British energy policy, and its associated regulatory regime, was designed to transform a state-owned and directed sector into a normal commodity market. Competition and 1 "These"forms"are"referred"to"elsewhere"by"the"author"as"‘marketised’"and"‘technocratic’"depoliticisation"(Kuzemko" 2012b:").liberalization would, its architects hoped, take energy out of the political arena… Labour shared this vision and hoped that energy would drop off the political agenda…. (Helm 2003: 386) 2 As already suggested this paper considers the intention to depoliticise energy to have been reasonably successful. By the early 2000s the Energy Ministry had been disbanded, there was little or no formal Parliamentary debate, energy was not represented at Cabinet level, responsibility for the supply of energy had been passed to the markets, it was regulated by an independent body, and the (cf. Kuzemko 2012b). Furthermore, the newly formed Energy Directorate within the Department of Trade and Industry (DTI), which now had responsibility for energy policy, had no specific energy mandates but instead mandates regarding encouraging the right conditions for business with an emphasis on competition (Helm et al 1989: 55; cf. Kuzemko 2012b: 107). As feared by various analysts who write about depoliticisation as a sub-optimal form of politics, these processes of depoliticisation had arguably resulted in a lack of deliberation about energy and its governance outside of narrow technocratic elite circles. Within these circles energy systems were modelled, language was specific and often unintelligible to others, including generalist politicians or wider publics, and this did, indeed, further encourage a high degree of disengagement with the subject (cf. Kern 2010; Kuzemko 2012b; Stern 1987). Technical language and hiring practices that emphasised certain forms of economic education further isolated elite technocratic circles from political contestation and other forms of knowledge about energy. Arguably, by placing those actors who have been elected to represent the national collective interest at one remove from processes of energy governance the result was a lack of formal political capacity in this policy field. It is worth, briefly, at this point reiterating the paradoxical nature of depoliticisation. Whilst decisions to depoliticise are deeply political, political capacity to deliberate, contest and act in an issue area can be reduced through these processes. Depoliticisation has been an ongoing form of governing throughout the 20 th century it may (Burnham 2001: 464), however, be particularly powerful and more difficult to reverse when underpinned by increasingly dominant ideas about how best to govern. For example Hay, in looking for the domestic sources of depoliticisation in the 1980s and 1990s, suggests that these processes were firmly underpinned by neoliberal and public choice ideas not only about the role of the state but also about the ability for political actors to make sound decisions relating, in particular, to economic governance (Hay 2007: 95-99). Given the degree to which such ideas were held increasingly to be legitimate over this time period depoliticisation was, arguably, genuinely understood by many as a process that would result in better governance (Interviews 1, 2, 3, 15 cf. Hay 2007: 94; Kern 2010). This to a certain extent makes decisions to depoliticise appear both less instrumental but also harder to reverse given the degree to which such ideas become further entrenched via processes of depoliticisation (cf. Kuzemko 2012b: 61-66; Wood 2011: 7).

#### Permutation do the plan and reject the aff’s neoliberal ideology – their author admits their k is just an interesting FYI

Zeller, 12 [Tom, Ozzie Zehner's 'Green Illusions' Ruffles Feathers. <http://www.huffingtonpost.com/tom-zeller-jr/ozzie-zehner-green-illusions_b_1710382.html>]

¶ Does that mean Zehner is anti-solar? He says no. "In my mind, 'Green Illusions' does not throw these technologies under the bus," he told me. "It just situates their full effects in context and shows how we could address the context to make these technologies more relevant."¶ "Alternative energy is not a free ride, just a different ride," he added, "and there's no reason to believe it will offset fossil fuel use in a society that has high levels of consumption and is growing exponentially."¶ Put another way, renewable energy only makes sense if undertaken in concert with other, more fundamental changes in the way we deploy and make use of energy in our everyday lives. At the moment, we're really paying attention to the technology end of things, Zehner argues, and without a holistic approach, these innovations get us nowhere.

#### And, the alt alone prevents any progressive energy change – the whole aff is a disad

Nead, 12 \*Citing a refuation of the book that their alt comes from [Benjamin Nead, Attacking EVs: New Book Says Electric Cars Aren't Clean employed by Arizona Public Media, the NPR/PBS affiliated radio/television complex at the University of Arizona in Tucson, since 1988. He is currently the local weekday/afternoon on-air host for KUAZ radio's NPR news and information programming. Prior to this, he was the station's evening weeknight Jazz music host. Ben was the coordinator for Tucson Plugs In 2011, one component of Plug In America's multi-city National Plug In Day, which occured on Sunday, October 16, 2011, http://www.plugincars.com/attacking-evs-new-book-says-electric-cars-arent-clean-123063.html

I'm being somewhat factitious in the above paragraph, of course, but it isn't all that different from your wide brush criticism of any or all that you are presumably excoriating in Green Illusions. Your online book reviews are causing quite a stir right now and I'm going to guess that this will move a lot of product for you. Unfortunately, most will emphasize only the most alarmist claims you make there in attacking emerging clean technologies. Those who hope to perpetuate the energy status quo - especially as its practiced in the U.S. today - will use only those points to do battle with aspects of emerging clean technology that could possibly do us some good. To paraphrase one of your own catchphrases, The Boomerang Effect, naysayers will take us full circle and back to where we are today - oil, urban sprawl, etc. - and conveniently leave out the joys of commuting to work with modest muscle and skipping that cheeseburger in favor of a salad.¶ Congratulations. You have just given the Republican nominee for U.S. President and his supporters a powerful new weapon.

#### And, Zellner causes transition wars

Harris 2 (Lee, Atlanta writer, policy review, the intellectual origins of America-bashing, <http://www.hoover.org/publications/policyreview/3458371.html>)

This is the immiserization thesis of Marx. And it is central to revolutionary Marxism, since if capitalism produces no widespread misery, then it also produces no fatal internal contradiction: If everyone is getting better off through capitalism, who will dream of struggling to overthrow it? Only genuine misery on the part of the workers would be sufficient to overturn the whole apparatus of the capitalist state, simply because, as Marx insisted, the capitalist class could not be realistically expected to relinquish control of the state apparatus and, with it, the monopoly of force. In this, Marx was absolutely correct. No capitalist society has ever willingly liquidated itself, and it is utopian to think that any ever will. Therefore, in order to achieve the goal of socialism, nothing short of a complete revolution would do; and this means, in point of fact, a full-fledged civil war not just within one society, but across the globe. Without this catastrophic upheaval, capitalism would remain completely in control of the social order and all socialist schemes would be reduced to pipe dreams.

### 2AC QER CP

#### Delay until 2015 – solves literally none of the aff

**Moniz 12** – Cecil and Ida Green Professor of Physics and Engineering Systems and Director of the Energy Initiative at the Massachusetts Institute of Technology, serves on the President’s Council of Advisors on Science and Technology

(Ernest, “Stimulating Energy Technology Innovation”, Daedalus 141.2 (2012): 81–93, dml)

Given the magnitude of the task, PCAST recommended in 2011 that the DOE carry out a Quadrennial Technology Review (QTR)–a first step centered in a single department and focused on technology. The QTR resulted in a rebalancing of the R&D portfolio toward the oil dependence challenge through advanced vehicle development, particularly transportation electrification. The key now will be to extend the processes developed for the QTR to the multiagency QER, involving the EOP in a leadership role. Taking the next steps in 2012 will maintain momentum and establish the capabilities needed for the QER by early 2015, the time frame recommended by PCAST. While some may view 2015 as a frustratingly long time away, the alternative is to rely on wishes rather than analysis while failing to gain multiple perspectives in a fair and open manner. Rushing the process will result in a poorly done job that will not accomplish any of the key QER goals. Certainly, it will not bring together succeeding administrations and Congresses around a reasonably shared vision and set of objectives that can accelerate innovation in service of national competitiveness and environmental and security goals. Continuing with fragmented and economically inefficient policies, technologies “du jour,” and frequent shifts will complicate private-sector decisions rather than facilitate innovation. The government unavoidably plays a strong role in the innovation process, even when this is unacknowledged in policy and political debates. The issue now is to present both a set of principles and fact-based analyses supporting coordinated government wide actions that earn decent buy in from major stakeholders.

#### **Overall framework fails -- specific priorities need to be identified.**

Deutch, ‘11

[John M., Massachusetts Institute of Technology, May, “An Energy Technology Corporation Will Improve the Federal Government’s Efforts to Accelerate Energy Innovation,” http://www.brookings.edu/~/media/Research/Files/Papers/2011/5/energy%20corporation%20deutch/05\_energy\_corporation\_deutch\_paper.PDF]

The most serious shortcoming of current government policy supporting demonstration is the absence of clear agreement on the purpose of technology demonstration and on criteria for how demonstration projects should be selected, designed, and managed. There are four other key deficiencies: 1. The adoption of multiple objectives, including deploying renewable energy technologies, increasing jobs, reducing oil imports, reducing carbon emissions, improving international economic competitiveness of green technology companies, and lowering energy costs for consumers. These multiple objectives compete with each other and need to be prioritized to guide program design.

#### The CP won’t get implemented -- still requires Congressional funding which means it gets rejected.

Barlas, ‘12

[Stephen, Financial Executive Magazine, Jan/Feb, “Does the U.S. Really Need An Energy Policy?” http://wa-dcwriter.blogspot.com/2012/01/does-us-really-need-energy-policy.html]

But it is highly unlikely that Obama's Blueprint will lead to a firmer footing for U.S. energy security than past Blueprints from other presidents, or, perhaps more importantly, whether a Blueprint is even necessary. Obama's Blueprint policy is a loosely knit set of policies which focus on producing more oil at home and reducing dependence on foreign oil by developing cleaner alternative fuels and greater efficiency. The Blueprint is not the result of any particular deep thinking or strategy. The President's Council of Advisors on Science and Technology (PCAST) called for the development of such a strategy in its November 2010 Report to the President on Accelerating the Pace of Change in Energy Technologies Through an Integrated Federal Energy Policy. The PCAST called for a Quadrennial Technology Review (QTR) as the first step in preparing a Quadrennial Energy Review. The DOE completed the QTR in November 2011, six months after Obama published his Blueprint. Steven E. Koonin, Under Secretary for Science, DOE, says the QTR is limited in scope and all the DOE felt it could get done given budget and time. "Technology development absent an understanding and shaping of policy and market context in which it gets deployed is not a productive exercise," he § Marked 18:55 § states. At this point there is no indication that the DOE will even undertake the much more important QER, much less complete it any time soon. The larger reality is that any energy independence plan proposed by any U.S. President--whether based on a QER or not--has as much a chance of coming to fruition as Washington's hapless Redskins have of getting into the Super Bowl. In any case, the rhetoric of President after President aside, maybe the U.S. doesn't even need an energy independence or energy security policy. The biggest energy input for industrial and commercial business users is natural gas. Natural gas prices are incredibly important, both because the fuel is used directly to run industrial processes, heat facilities and commercial buildings, and make products such as fertilizers, pharmaceuticals, plastics and other advanced materials. Thanks to the Shale Revolution, the Energy Information Administration (EIA) forecasts natural gas prices will stay low for the foreseeable future, rising to $4.66 m/BTU in 2015 and $5.05 m/BTU in 2020. That is good news for the owners of 15,000 to 17,000 industrial boilers in this country, most of which use natural gas (and many of those who still use coal are switching to natural gas). In addition, companies such as Dow Chemical are restarting operations at facilities idled during the recession, Bayer is in talks with companies interested in building new ethane crackers at its two industrial parks in West Virginia, and Chevron Phillips Chemical and LyondellBasell, are considering expanding operations in the U.S. Fracking has also had a much less remarked-upon effect on petroleum prices, which are important to businesses with transportation fleets. New oil sources are spurting from the Bakken and Eagles Ford shale plays. U.S. oil prices have fallen from $133.88 a barrel of Texas intermediate crude in June 2008 to $86.07 today. The EIA predicts oil prices will rise to $94.58/bbl in 2015 and $108.10/bbl in 2020. Beyond the flood of natural gas washing over them, U.S. companies are also benefitting from three decades of investments--most of which made without federal subsidies or support--into facility energy efficiency. Ralph Cavanagh, Co-Director, Energy Program, Natural Resources Defense Council, member of Electricity Advisory Board at the DOE, says the most important single solution for U.S. businesses worried about energy prices and energy access is aggressive energy efficiency. "Energy independence is the wrong issue," he says. "It is reducing the cost of energy services and improving energy security. "U.S. business has done a tremendous job in energy efficiency over the past three decades," he states. "It takes less than one-half of a unit of energy to create $1 of economic value than it did in 1973. Industry has done that by upgrading the efficiency of process equipment and upgrading lighting." Others may well argue that the U.S. needs, and has always needed, an energy policy, but one narrowly targeted. Kenneth B Medlock III, PhD, Deputy Director, Energy Forum, James A Baker III Institute for Public Policy at Rice University, notes that the DOE and the Gas Research Institute helped develop, with federal funding, the horizontal drilling (i.e. fracking) technology that Mitchell Energy (now a part of Devon Energy) pioneered. "Government ought to be focused on research & development," he states. He also is a supporter of loan guarantees to promote investment activity in frontier technologies, and argues that as long as there are more good bets than bad bets in that kind of portfolio, the funds committed in total are a good investment. But spectacular failures like Solyndra and other less publicized busts such as Beacon Power's Chapter 11 filing kill the prospect of any additional congressional funding for energy loan guarantees of any kind. That is true even when legislation has bi-partisan support, which is the case for the Energy Savings and Industrial Competitiveness Act of 2011 (S. 1000) which would, among other things, provide grants for a revolving loan program designed to develop energy-saving technologies for industrial and commercial use. The bill passed the Senate Energy Committee by a vote of 18-3 in July. However, the Congressional Budget Office has pegged the cost of the bill's provisions at $1.2 billion over five years. That is a serious barrier to passage. And in any case, even if it did pass, the bill would simply authorize funding. Congressional appropriations committees would have to approve the money as part of the DOE's budget, which would be highly unlikely, Solyndra aside, since similar programs authorized by the 2005 and 2007 energy bills are still begging for appropriations.

### 2AC Exports DA

#### US prices competitive in any situation – makes exports inevitable

**Renauer, 10/2** investor, contributor (Cory Renauer, Seeking Alpha, 2 October 2012, “Driving Natural Gas Prices, Part 1: Exports,” http://seekingalpha.com/article/900261-driving-natural-gas-prices-part-1-exports)//CC



The decision to export is an easy one for the natural gas industry, implementing it however is more difficult than you might think. The United States is set up to be a net importer of natural gas and currently has only one modern export terminal run by Cheniere Energy. Unlike oil, natural gas doesn't like to stay put. Before being pumped onto special tankers, it must be cooled to its condensation point to change from a gas to a liquid. Natural gas condensation requires the type of cooling well beyond temperatures your household freezer can reach. The gas needs to be cooled to about −162 °C (−260 °F) to become a liquid at atmospheric pressure. Just a glance at the map of world estimated LNG prices and it's hard to imagine why there aren't more export terminals being constructed around the clock. Unfortunately for natural gas producers in the US, there are[regulatory](http://www.fossil.energy.gov/programs/gasregulation/authorizations/Questions.html) [hurdles](http://www.fossil.energy.gov/programs/gasregulation/authorizations/Questions.html) in place that limit exports of natural gas, especially to non free trade agreement (Non-FTA) countries. Currently, Cheniere Energy is running what the Department of Energy calls a pilot study to test the effect that exporting natural gas has on domestic prices. That sounds like a load of nonsense. Exporting natural gas to China might make perfect sense to an educated investor, but to general voters it could be twisted to sound like treason. My guess is that the DOE will bow to [pressure](http://fuelfix.com/blog/2012/09/25/lawmakers-tell-feds-to-speed-up-lng-export-decision/) [from](http://fuelfix.com/blog/2012/09/25/lawmakers-tell-feds-to-speed-up-lng-export-decision/) [state](http://fuelfix.com/blog/2012/09/25/lawmakers-tell-feds-to-speed-up-lng-export-decision/) [lawmakers](http://fuelfix.com/blog/2012/09/25/lawmakers-tell-feds-to-speed-up-lng-export-decision/) to allow producers like Exxon Mobil ([XOM](http://seekingalpha.com/symbol/xom)) and Chesapeake Energy export their gas to areas with wildly higher demand soon after the November elections. I'm confident that Cheniere will get their [chance](http://seekingalpha.com/article/890391-cheniere-s-chance-to-profit-from-cheap-natural-gas) [to](http://seekingalpha.com/article/890391-cheniere-s-chance-to-profit-from-cheap-natural-gas) [profit](http://seekingalpha.com/article/890391-cheniere-s-chance-to-profit-from-cheap-natural-gas) from exporting cheap US gas. Cheniere is currently building a second export terminal near [Corpus](http://www.caller.com/news/2012/sep/11/cheniere-energy-moves-forward-with-engineering/) [Christi](http://www.caller.com/news/2012/sep/11/cheniere-energy-moves-forward-with-engineering/)and the export permit applications are piling up on Steven Chu's desk. Hopefully they will allow exports to rise slowly enough that production can meet rising demand, but quickly enough to take advantage of the currently wide pricing gap before foreign shale deposits are developed.

#### No exports even with approval – consensus

**Levi, ’12** David M. Rubenstein Senior Fellow for Energy and the Environment at the Council on Foreign Relations (CFR) and Director of the CFR program on energy security and climate change (Michael Levi, The Hamilton Project, June 2012, “A Strategy for US Natural Gas Exports,” [http://www.hamiltonproject.org/files/downloads\_and\_links/06\_exports\_levi.pdf)//CC](http://www.hamiltonproject.org/files/downloads_and_links/06_exports_levi.pdf%29//CC)

It is far from clear that all or even most of this export volume would be used even if it were approved. A recent MIT study looked at nine scenarios for U.S. and world natural gas markets; none of them led to the emergence of significant U.S. natural gas exports, in large part because other lower cost producers undercut prices offered by the United States in distant markets (MIT 2011). Other forces, discussed in Chapter 2, could also lead global natural gas prices to converge even without U.S. exports, removing opportunities for economically attractive U.S. LNG sales. Indeed, most analysts anticipate that less LNG will be exported than currently pending permits would allow, even if all of those were approved. (They also expect to see more permit applications, since the plans behind many of the pending ones are expected to eventually fizzle.) For example, Citigroup analysts foresee up to 5 billion cubic feet a day of LNG exports by the end of the decade, barring regulatory barriers (Morse et al. 2012). UK gas producer BG has projected up to six billion cubic feet a day by then (Gismatullin 2012), the same volume that Deloitte (2011) analysts have focused their modeling on. Given this consistent view among market analysts on the maximum likely volume of LNG exports from the United States, the main analysis in this paper focuses on the possibility of up to six billion cubic feet of daily exports. This is approximately half the capacity currently awaiting approval and almost ten percent of current U.S. natural gas production. I consider the possibility of significantly greater or lesser exports in Chapter 6; the qualitative conclusions do not change, though the specific costs and benefits of allowing LNG exports do. To provide some context, Figure 2 shows natural gas consumption and LNG trade by region.

#### USFG blocks sales

**Reuters, 7/27** (Reuters, 27 July 2012, “Insight: As Congress looks away, U.S. tiptoes toward exporting a gas bounty,” http://www.reuters.com/article/2012/06/27/us-usa-lng-exports-idUSBRE85Q05820120627)//CC

If the gap between global and domestic prices remains wide, as many analysts expect, more export projects are certain to be brought forward and the government may draw a line in the sand. A ban on energy exports is not without precedent. The Mineral Leasing Act of 1920 and the Outer Continental Shelf Lands Act require a presidential waiver for the sale of most unrefined crude oil abroad, essentially blocking exports. Even with a boom in domestic oil output, the United States is in little danger of becoming an oil exporter. But gas is far less fraught with geopolitical significance. "Oil has been a political issue. Natural gas has never been that," said David Wochner, an attorney for the Sutherland law firm that represents natural gas producers.

#### Exports don’t happen until 2015

**Levi, ’12** David M. Rubenstein Senior Fellow for Energy and the Environment at the Council on Foreign Relations (CFR) and Director of the CFR program on energy security and climate change (Michael Levi, The Hamilton Project, June 2012, “A Strategy for US Natural Gas Exports,” [http://www.hamiltonproject.org/files/downloads\_and\_links/06\_exports\_levi.pdf)//CC](http://www.hamiltonproject.org/files/downloads_and_links/06_exports_levi.pdf%29//CC)

However, no major LNG importer other than South Korea has an applicable FTA with the United States (Ratner et al. 2011). Would-be exporters have thus sought approval to export without restriction. Cheniere Energy’s Sabine Pass Facility has received DOE and Federal Energy Regulatory Commission (FERC) approval for 2.2 billion cubic feet of daily LNG exports to non-FTA countries, and applications totaling another 10.3 billion cubic feet per day are under review. These combined applications involve total volumes similar to current U.S. LNG import capacity (Guegel 2010). Exports from the first facilities would start no earlier than 2015

### Spikes Now

#### And, prices will rebound – low prices stop shale production

**Kohl, 10/2** financial reporter and managing editor for Energy and Capital, Investment Director of Angel Publishing's Energy Investor (Keith Kohl, Energy & Capital, 2 October 2012, “2013 Natural Gas Forecast,” http://www.energyandcapital.com/articles/2013-natural-gas-forecast/2636)//CC

That's because we're finally going to see prices hit $5/Mcf come 2013. So if you haven't taken a look at the industry recently, you had better do so before the ball drops in Times Square in two months... 2013 Natural Gas Forecast Only one thing has been holding back the rebound in gas prices: a supply glut. Although [demand](http://www.eia.gov/dnav/ng/hist/n9140us2A.htm) has been slowly rising since 2006, it isn't even close to the pace of production, which increased to [28.6 trillion cubic feet](http://www.eia.gov/dnav/ng/ng_prod_sum_dcu_NUS_a.htm) last year... However, we knew lower prices would eventually take a toll on our domestic output. As you can see below, declining gas prices have forced drillers to target more liquids-rich plays: The only question was when it would be enough to make a difference. Turns out that we may have reached that point in 2012... According to the EIA, our marketed natural gas production has been relatively flat since late 2011: Recent hurricanes aside, some of the shale gas plays simply aren't economical with ultra-low natural gas prices, forcing companies to shut-in wells until a price rebound takes place next year.