# Case

### Heg

#### Civilian SMR’s solve grid—online by 2022

Sands, 2012

[Derek, Inside Energy with Federal Lands, Several states vie for chance to host DOE-funded small nuclear reactors, 7-9-12, Accessed online via Lexis Nexis] /Wyo-MB

Proposals to build new nuclear reactors in the US have not always been welcomed with open arms, especially after the 1979 accident at the Three Mile Island nuclear plant in Pennsylvania.¶ But that's not the case with newly emerging devices called small modular nuclear reactors, which are touted for their safety and their ability to be transported to their deployment sites on freight trains or even semi-trailer trucks.¶ Several states are champing at the bit to host SMRs, and the Energy Department is mulling how to dole out $452 million in federal funding for the sub-300-MW devices.¶ Nikki Haley, South Carolina's Republican governor, wants to bring two SMRs to the Savannah River Site, a Cold War-era nuclear weapons facility that DOE operates in her state.¶ "Every state wants it. Every state is going to fight to get it. Every state is going to try to make itself pretty enough," Haley said last month. "There are two projects that are going to be given by the Department of Energy this fall. We want both of them."¶ To date, four companies have submitted SMR design concepts to DOE in the hopes of getting a chunk of the $452 million in federal funding, which the firms could use to complete and license their ideas with the Nuclear Regulatory Commission. Babcock & Wilcox is seeking DOE funding for its 180-MW mPower design; NuScale Power has submitted its 45-MW NuScale design; Westinghouse Electric has offered its 225-MW Westinghouse SMR design; and Holtec International has submitted its 160-MW SMR-160 design.¶ DOE's program aims to have US-designed SMRs — which are no larger than 300 MW in size — in commercial operation by 2022.

#### 2nd, Nuke power doesn’t solve the grid--

#### A. Nuke energy contributes to grid and electricity problems

Dittmar, 2012

[Michael, Institute of particle physics, “Nuclear energy: Status and future limitations.” Energy, Volume 37, Issue 1, January 2012, Pages 35–40, 7th Biennial International Workshop “Advances in Energy Studies” Accessed online via science direct] /Wyo-MB

The status of nuclear energy today and its potential evolution during the next 10–20 years is discussed. Nuclear energy contributes only about 14% of the world’s electric energy mix today, and as electric energy contributes itself only about 16% to the end energy use, its contribution is essentially negligible. Still, nuclear energy is plagued already with a long list of unsolved problems. Among the less known problems one finds the difficulties that nuclear plants cannot provide power according to needs, but have to be operated at full power also during times of low demand and regions with large contributions from nuclear power need some backup hydropower storage systems. The better known problems, without solutions since at least 40 years, are the final safe storage of the accumulated highly radioactive nuclear waste, that uranium itself is a very limited and non renewable energy resource and that enormous amounts of human resources, urgently needed to find a still unknown path towards a low energy future, are blocked by useless research on fusion energy. Thus, nuclear energy is not a solution to our energy worries but part of the problem.

#### 3rd, Plan fails and doesn’t solve--

#### C. Subsidies for SMR’s fail—stifle investment and development—plan fails

Xie, 2011

[Yanmei, Neucleonics week vol 52 no 6, Think tanks differ on government's role in SMR development, lexis nexis] /Wyo-MB

Breakthrough Chairman Ted Nordhaus, who spoke at the same event, said the government needs to "accelerate the deployment and commercialization" of SMRs through a "procurement mechanism." A policy paper on energy innovation released by Breakthrough last fall urged that the departments of Energy and Defense "procure and demonstrate small modular reactors at DOE nuclear facilities and DOD military bases."¶ The Washington-based Heritage Foundation, however, warned last week that government subsidies would stifle innovation in the fledgling SMR industry instead of nurturing it.¶ The Heritage Foundation, which promotes conservative values including free enterprise and limited government, released a report February 2 in which it described "a young, robust, innovative and growing" industry with "companies of all sizes investing in these smaller, safer, and more cost-efficient nuclear reactors." But in order for this industry to thrive, "policymakers should reject the temptation to offer the same sort of subsidies and government programs" as it is doing for large reactors, it said.¶ DOE is preparing to launch a program to pay for part of the costs of commercializing two SMR designs. The program is awaiting budget approval from Congress, but it has received bipartisan support at committee levels in both the House and the Senate and is popular among industry supporters. DOE officials have said only light water reactor designs, the type operating in the US, would be eligible to apply.¶ Government subsidies like the DOE's cost-sharing program would be "detrimental to SMRs," the Heritage report said, because "the federal government picks winners and losers through programs where bureaucrats and well-connected lobbyists decide which technologies are permitted."¶ Instead of offering subsidies, the report recommended that the government focus on reforming NRC's licensing process, which the report said is "ill-prepared ? for new reactor technologies."¶ "The NRC is built to regulate large light water reactors. It simply does not have the regulatory capability and resources to efficiently regulate other technologies," the paper said.¶ NRC spokesman Scott Burnell has said the NRC is focusing on reviewing LWR designs and the Next Generation Nuclear Plant, a high-temperature gas-cooled reactor project mandated by Congress. For any other applications, "we are budgeted for limited non-resource intensive activities," which would take "only a few hours of staff time on a non-routine, infrequent basis," Burnell said in a February 1 e-mail.¶ The result of such limits at NRC "is that enthusiasm for building non-light-water SMRs is generally squashed at the NRC as potential customers realize that there is little chance that the NRC will permit the project within a time frame that would promote near-term investment," the Heritage report said. It suggested that Congress provide NRC funding "to develop additional broad expertise for liquid-metal cooled, fast reactors and high-temperature, gas-cooled reactors."¶ The report also urged the SMR industry to resist government loan guarantees, an approach it said has not helped accelerate nuclear construction.¶ A smaller, less expensive modular reactor "would be very attractive to private investors even without government intervention," it said.

#### NO impact

#### -extender ledger- there are safety checks within the grid, it isn’t all connected, means they can’t access widespread blackouts

#### -extend Doe 4- the government is prepared for widespread blackouts, they’ve implemented emergency planning, means they have backuop methods to contact bases overseas-AND you should have a high threshold for buying our base located in Taiwan would be incapable of responding if Taiwan were attacked- this is why we have things like bases

#### Militaries wont use cyber attacks – 3 reasons

Evgeny Morozov, is a fellow at the Open Society Institute and a board member of its Information Program, “Cyber-Scare: The exaggerated fears over digital warfare”, Boston Review, July/August 2009. http://bostonreview.net/BR34.4/morozov.php

Common sense dictates that the severity and targets of such attacks should be guided by international law, particularly the Geneva Conventions and associated protocols. Broadly speaking, current norms state that the conduct of war must meet three fundamental standards: belligerents must distinguish military from civilian objects when selecting targets; balance military necessity with humanitarian concern (the choice of weapons is not unlimited and must be made with the avoidance of unnecessary suffering in mind); and shun the use of force that is disproportionate, in the sense that it shows insufficient attention to the unnecessary suffering that might result. These principles have proved very hard, but not impossible, to interpret in conventional conflict; applying them to cyberspace is not an insurmountable challenge. The careful application of these three principles to the conduct of war could explain why militaries might shy away from cyber-attacks. First, it is hard to predict the consequences of such attacks; cyber-attacks typically lack surgical precision and are notorious for side effects—a virus planted in a military network could easily spread to civilian computers, causing much unanticipated collateral damage. Second, precisely targeted cyber-attacks could be a more humane way of conducting warfare. Instead of bombing a military train depot, with collateral civilian deaths, one can temporarily disable it by hacking into its dispatch system. However, the rules of war also stipulate that once a belligerent has used a more humane weapon, it ought to use that weapon in similar situations—and who would voluntarily abandon tanks in favor of computers only? Third, most cyber-attacks are hard to justify in strategic terms and therefore would open associated personnel to prosecution for war crimes. For example, if there is little to be gained from attacking a poorly maintained Web site of the Georgian parliament, Russia could not justify an attack on it in military terms. If it went ahead with such an attack, its commanders woul risk prosecution for a disproportionate use of force.

#### Threat exaggerated

Bruce Schneier, a cybersecurity expert and the author of several bestselling books,

HSNW conversation with Bruce SchneierAttackers have advantage in cyberspace, says cybersecurity expert

8/12, **2011.** http://www.homelandsecuritynewswire.com/attackers-have-advantage-cyberspace-says-cybersecurity-expert

HSNW: Finally, as a broader question, has the threat from hackers been overly inflated or is it as dire as many government officials and security experts make it out to be? BS: Which threat? The threat of cyber-war has been grossly exaggerated, both by government and industry. We are in the early years of a cyber-war arms race, and there is a lot of money and power up for grabs. Same with cyber-terrorism, the threat is being exaggerated. Cyber-espionage is about at the level of popular opinion. On the other hand, the threat of cybercrime is largely being ignored, and that is greater than most people believe. I do not think anyone really knows the full extent of cybercrime – fraud, theft, extortion, and so on – worldwide.

# Politics

## Impact O/v

#### Impact outweighs and turns the case:

#### Magnitude-Economic downturn causes military confrontations between the entire world due to the interconnectedness of the modern economy- guarantees escalation and extinction

#### Probability-Downturns lead to changes in power in government, decreased fulfillments of trade obligations and diversionary tactics to calm domestic publics- guarantees confrontation

#### Timeframe-our godfarm evidence says that the economy is acute and no longer has the stimulus funds or options to save it from total collapse- default would immediately shatter in the world economy in February.

#### Turns case-

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#### They get linked

Wolf & alexander Jan. 2nd

[Jim Wolf and David Alexander, Reuters, January 2nd, 2013, Budget deal leaves U.S. defense sector in limbo, <http://www.chicagotribune.com/business/sns-rt-us-usa-fiscal-defense-firmsbre9010n8-20130102,0,4837963.story>, uwyo//amp]

Byron Callan, analyst with Capital Alpha Partners, said an eventual compromise was likely to include some further cuts to defense spending, in addition to $487 billion in cuts already due to be implemented over the next decade. "Defense spending absolutely will be part of the next debt ceiling/sequestration cliff debates," Callan wrote in a note to investors.

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#### Sequester turns heg- signal undermines our international commitments and forces cuts to weapons systems, training, and operating budgets

O'Hanlon 12

[Michael O'Hanlon, director of research on foreign policy – Brookings, 2/24/12, The specter of sequestration, globalpublicsquare.blogs.cnn.com/2012/02/24/the-specter-of-sequestration/]

The military’s warfighting budgets would, in theory, remain untouched, but the entire institution that supports our fighting men and women would be left teetering on the brink of peril not seen since Vietnam and the immediate post-Vietnam years. The accomplishments of the last 30 years of building the world’s finest military would be at risk based on a law cobbled together in a few weeks one Washington summer that was never intended to take effect even by its proponents. How do you slash 10 percent in an organization as large as the military overnight? The types of choices available are all ugly. The President could choose to cut military and civilian pay by up to 15 percent immediately (military health care costs will be hard to cut, so salaries must bear the costs disproportionately); he could chop retirement payouts; or he could cut funds for major weapons systems by up to 20 percent (as legal penalties for making unexpected cuts to contracts will cost money, too). Actually he may have to do all three. Other options include nickel-and-diming combatant commanders, cutting back their training and operating budgets by up to a quarter since these are among the only accounts that can be easily accessed when immediate saving are needed. And of course, the President will be required to make these choices at just the moment we are supposedly trying to signal Iran, North Korea, and China that the United States remains as firmly committed to our interests and allies as ever. Some will suggest that these choices are exaggerations or worst case scenarios to make a case. But the reality is there are no secret pots of money, trust funds, or bailout resources from which the savings can otherwise be found.

#### Turns prolif, Defense cuts embolden Iran to acquire the bomb

Boykin 2012

[Ret. Lt. General Jerry Boykin, Sequestration cuts would embolden Iran to build the bomb, http://articles.baltimoresun.com/2012-12-10/news/bs-ed-defense-cuts-letter-20121210\_1\_missile-defense-fiscal-cliff-sequestration-cuts, uwyo//amp]

While many have persuasively argued that the fiscal cliff defense cuts would hurt innovation and slow our economic recovery, few offer concrete examples of how these catastrophic cuts would endanger our national security. Iran's drive to acquire nuclear weapons provides the perfect example. Intent on testing America's resolve to stop its nuclear program, Iran will accelerate its uranium enrichment if the U.S. cannot credibly threaten to use military force. Cutting warships, fighter jets, intelligence technologies, and other critical capabilities — as would happen if we go over the fiscal cliff — would encourage Iran to run out the diplomatic clock until it has built a nuclear ballistic missile. Incredibly, the fiscal cliff defense cuts would even reduce funding for U.S. missile defense — our only shield against the ballistic missiles now spreading in Iran and worldwide. Most leaders in Washington support missile defense, with Democrats like President Barack Obama newly converted by a growing number of tests that prove that the technology works. Rather than cut missile defense — which accounts for less than one fifth of one percent of the Pentagon budget — the National Research Council recently suggested adding an East Coast location as the least expensive way to strengthen homeland missile defenses against an Iranian missile attack. Falling over the fiscal cliff would embolden our enemies, expose us to attacks and weaken our ability to respond.

#### Sequestration devastates the economy, collapses heg, and culminates in Middle Eastern war

Hutchison 9/21

[Kay Bailey Hutchison,, U.S. Senator from the great state of Texas, 9/21/2012 “A Looming Threat to National Security,” States News Service, Lexis]

Despite warnings of the dire consequences, America is teetering at the edge of a fiscal cliff, with January 1st, 2013 as the tipping point. On that date, unless Congress and the White House can reach agreement on how to cut the federal deficit, all taxpayers will be hit with higher taxes and deep cuts - called "sequestration" - will occur in almost all government spending, disrupting our already weak economy and putting our national security at risk. According to the House Armed Services Committee, if sequestration goes into effect, it would put us on course for more than $1 trillion in defense cuts over the next 10 years. What would that mean? A huge hit to our military personnel and their families; devastating cuts in funding for critical military equipment and supplies for our soldiers; and a potentially catastrophic blow to our national defense and security capabilities in a time of increasing violence and danger. All Americans feel a debt of gratitude to our men and women who serve in uniform. But Texas in particular has a culture that not only reveres the commitment and sacrifice they make to protect our freedom, we send a disproportionate number of our sons and daughters to serve. The burden is not borne solely by those who continue to answer the call of duty, but by their families as well, as they endure separation and the anxiety of a loved one going off to war. These Americans have made tremendous sacrifices. They deserve better than to face threats to their financial security and increased risks to their loved ones in uniform, purely for political gamesmanship. Sequestration would also place an additional burden on our economy. In the industries that support national defense, as many as 1 million skilled workers could be laid off. With 43 straight months of unemployment above 8 percent, it is beyond comprehension to add a virtual army to the 23 million Americans who are already out of work or under-employed. Government and private economic forecasters warn that sequestration will push the country back into recession next year. The recent murder of our Ambassador to Libya and members of his staff, attacks on US embassies and consulates and continued riots across the Middle East and North Africa are stark reminders that great portions of the world remain volatile and hostile to the US. We have the mantle of responsibility that being the world's lone super-power brings. In the absence of U.S. military leadership, upheaval in the Middle East would be worse. As any student of history can attest, instability does not confine itself to national borders. Strife that starts in one country can spread like wildfire across a region. Sequestration's cuts would reduce an additional 100,000 airmen, Marines, sailors and soldiers. That would leave us with the smallest ground force since 1940, the smallest naval fleet since 1915 and the smallest tactical fighter force in the Air Force's history. With the destabilization in the Middle East and other areas tenuous, we would be left with a crippled military, a diminished stature internationally and a loss of technological research, development and advantage - just as actors across the globe are increasing their capabilities. Sequestration can still be avoided. But that will require leadership from the President that has thus far been missing. Congress and the White House must reach a long-term agreement to reduce $1 trillion annual budget deficits, without the harsh tax increases that could stall economic growth and punish working families.

#### Middle East goes nuclear

Russell 9

[James A. Russell, Senior Lecturer, National Security Affairs, Naval Postgraduate School, ‘9 (Spring) “Strategic Stability Reconsidered: Prospects for Escalation and Nuclear War in the Middle East” IFRI, Proliferation Papers, #26, http://www.ifri.org/downloads/PP26\_Russell\_2009.pdf]

Strategic stability in the region is thus undermined by various factors: (1) asymmetric interests in the bargaining framework that can introduce unpredictable behavior from actors; (2) the presence of non-state actors that introduce unpredictability into relationships between the antagonists; (3) incompatible assumptions about the structure of the deterrent relationship that makes the bargaining framework strategically unstable; (4) perceptions by Israel and the United States that its window of opportunity for military action is closing, which could prompt a preventive attack; (5) the prospect that Iran’s response to pre-emptive attacks could involve unconventional weapons, which could prompt escalation by Israel and/or the United States; (6) the lack of a communications framework to build trust and cooperation among framework participants. These systemic weaknesses in the coercive bargaining framework all suggest that escalation by any the parties could happen either on purpose or as a result of miscalculation or the pressures of wartime circumstance. Given these factors, it is disturbingly easy to imagine scenarios under which a conflict could quickly escalate in which the regional antagonists would consider the use of chemical, biological, or nuclear weapons. It would be a mistake to believe the nuclear taboo can somehow magically keep nuclear weapons from being used in the context of an unstable strategic framework. Systemic asymmetries between actors in fact suggest a certain increase in the probability of war – a war in which escalation could happen quickly and from a variety of participants. Once such a war starts, events would likely develop a momentum all their own and decision-making would consequently be shaped in unpredictable ways. The international community must take this possibility seriously, and muster every tool at its disposal to prevent such an outcome, which would be an unprecedented disaster for the peoples of the region, with substantial risk for the entire world.

## UQ-

#### Obama pushing compromise now, saving his leverage for the fight- 1NC WSJ evidence- and

#### Yes compromise- Republicans weakening in squo

Judis 1/3

[John B. Judis, Senior Editor, 1/3/2013, Obama Wasn't Rolled. He Won!, [http://www.tnr.com/blog/plank/111573/obama-didnt-get-rolled-the-fiscal-cliff-in-fact-he-won#](http://www.tnr.com/blog/plank/111573/obama-didnt-get-rolled-the-fiscal-cliff-in-fact-he-won), uwyo//amp]

These divisions don’t necessarily augur the kind of formal split that wrecked the Whig Party in the 1850s. Nor do they suggest widespread defection of Republicans into the Democratic Party as happened during the 1930s. There is still far too much distance between, say, McConnell and Democratic Majority Leader Harry Reid. But they do suggest that a process of erosion is under way that will weaken the Republicans’ ability to maintain a united front against Democratic initiatives. That could happen in the debates over the sequester and debt ceiling if Obama and the Democrats make the kind of public fuss that they did over fiscal cliff.

#### Obama will win on debt ceiling

Klein 1-2

[Ezra Klein, a Washington Post Columnist, “The Lessons of the Fiscal Cliff,” <http://www.washingtonpost.com/blogs/wonkblog/wp/2013/01/02/the-lessons-of-the-fiscal-cliff/>]

The question of who “won” the fiscal cliff won’t be answered till we know what happens when Congress reaches the debt ceiling. The White House says that there’ll be no negotiations over the debt ceiling, and that if Republicans want further spending cuts, their only chance is to hand over more tax revenue. If they’re right and they do manage to enforce a 1:1 ratio of tax hikes to spending cuts in the next deal, they’re going to look like geniuses.¶ Republicans swear they are crazy enough to push the country into default, and they promise that the White House isn’t strong enough to stand by and let it happen. If they’re right, and the White House agrees to big spending cuts absent significant tax increases in order to avert default, then Republicans will have held taxes far lower than anyone thought possible.¶ But both Republicans and Democrats can’t be right. If we take the lessons of this negotiation, here’s what will happen: The White House will negotiate over the debt ceiling. They’ll say they’re not negotiating over the debt ceiling, and in the end, they may well refuse to be held hostage over the debt ceiling, but the debt ceiling will be part of the pressure Republicans use to force the next deal. The White House fears default, and in the end, they always negotiate.¶ That said, the Republicans aren’t quite as crazy as they’d like the Democrats to believe. They were scared to take the country over the fiscal cliff. They’re going to be terrified to force the country into default, as the economic consequences would be calamitous. They know they need to offer the White House a deal that the White House can actually take — or at least a deal that, if the White House doesn’t take it, doesn’t lead to Republicans shouldering the blame for crashing the global economy. That deal will have to include taxes, though the tax increases could come through reform rather than higher rates.¶ The Republicans also have a problem the White House doesn’t: The public broadly believes they’re less reasonable and willing to negotiate than the Democrats are. The White House has a reputation for, if anything, being too quick to fold. They have more room to avoid blame for a default than the Republicans do. In the end, if the White House holds its ground, Republicans will likely compromise — though only after the White House has done quite a bit of compromising, too. ¶ The final moments of the fiscal cliff offered evidence that both sides see how this is going to go. In his remarks tonight, President Obama signaled he would hold firm on the debt ceiling. “While I will negotiate over many things, I will not have another debate with this Congress over whether or not they should pay the bills they’ve already racked up through the laws they have passed,” he said. And Boehner signaled that he knows tax reform will have to be part of the next deal. The post-deal press release his office sent out had the headline, “2013 Must Be About Cutting Spending and Reforming the Tax Code.” That said, the final days of the fiscal cliff, in which the deal almost broke apart a half-dozen times for a hal-dozen reasons, is a reminder that these tense, deadline negotiations can easily go awry. And so there’s a third possibility, too: That the White House is wrong about the Republicans will compromise, that the Republicans are wrong that the White House will fold, and so we really will breach the debt ceiling, unleashing economic havoc.

## AT Thumper

#### First, Top of the docket- if we win it comes first or is a higher negotiating priority, means the thumper is irrelevant

#### And they have to prove Obama;s pc will be invested in any thumper and that the thumper is contentious

#### Will start negotiating in the next few days

Hennesey & Lauter Dec. 31st

[Kathleen Hennessey and David Lauter, Washington Bureau, December 31st, 2012, Obama wins 'fiscal cliff' victory, but at high cost, Obama wins 'fiscal cliff' victory, but at high cost http://www.latimes.com/news/nationworld/nation/la-na-fiscal-cliff-analysis-20130101,0,6417926.story, uwyo//amp]

The agreement to freeze income tax rates for most Americans while allowing them to rise for the wealthiest dealt only with the most pressing elements of the fiscal storm Congress and the president created last year. A newly elected Congress will begin work in a few days and immediately will need to start negotiating yet another deal. That next fight will be aimed at further reducing the long-term deficit and raising the debt ceiling before the government runs out of money to pay its bills — a deadline that will hit sometime in late February or March.

#### Second, Debt ceiling first—crowds out other issues

Feldman 1/2

[Linda Feldmann, Christian Science Monitor, 1/2/13, How Obama won and lost in 'fiscal cliff' deal, Lexis]

But Obama's victory is narrow. And by getting only a partial deal now, he faces a bigger fiscal cliff just a few weeks into his second term. In fact, there will be three cliffs: the deep spending cuts known as the "sequester" that come due (again) in two months; the debt ceiling, which will prohibit new federal borrowing without congressional action, also in about two months; and the expiration on March 27 of the continuing budget resolution - the short-term deal passed Oct. 27 that allows the federal government to keep spending money. Those three anvils hanging over Washington's head are likely to consume attention as the deadlines approach, creating a distraction from other matters Obama might want to address after his second inauguration on Jan. 21 - starting with gun violence and immigration reform.

### AT Military Shields the link

#### Military doesn’t shield the link – congressional partisanship and fossil-fuel ties cause funding controversy

Nicole Lederer, Co-Founder of Environmental Entrepreneurs, a national, nonpartisan organization of business leaders promoting strong environmental and economic policy., “Mission Critical: A Clean-Energy Call to Arms”, Clean Edge, May 23, 2012

And yet, some in Congress are prepared to sacrifice national and economic security for a partisan agenda. With a visceral disdain for clean energy, or perhaps with an overly robust relationship with the fossil-fuel industries, they are challenging the motives behind the Pentagon’s clean-energy initiatives and threatening to withhold funding to carry them out.

#### Military energy debates are divisive and cause larger energy debates—-zero risk of a link turn even if the plan saves money

Snider 12

[reporter, 1/16, "Pentagon still can’t define ’energy security,’ much less achieve it," -http://www.eenews.net/public/Greenwire/2012/01/16/1]

But this is not a good time to be requesting money at the Pentagon. Military budget planners have spent the past year carving nearly a half-trillion dollars in budget cuts, while top brass have worn out the thesaurus' list of synonyms for "decimate" as they decry the damage that additional looming cuts would do to their forces and weapons. At the same time, no one has yet made the business case for investing in energy security. Current rules require that renewable energy and efficiency projects prove they will bring savings over the long run, even if they carry an added security benefit. In fact, because the Pentagon operates on a five-year budget cycle, projects that pencil out to great investments over the long term often get turned down because they register to the budget as a near-term loss. Microgrids are still in the pilot phase and the military has not yet decided what the business model will be for them. Because the technology would help energy managers use power more efficiently on a day-to-day basis, for instance by bringing unnecessary loads offline during peak demand times, some officials say microgrids may be able to create enough savings to pay for themselves. Not all of industry is convinced, though, and a group of business executives will be suggesting financial models to Robyn's office in a report this spring. Ultimately, many say the military is going to have to decide what "secure energy" is worth to it if it wants to fix its vulnerabilities. "Until someone establishes the value of energy security, I only have the business case to rely on, because right now the value of energy security is apparently zero," said Dan Nolan, a retired Army colonel who writes a defense energy blog. The Navy has made a rough attempt to do this for its Surface Warfare Center in Dahlgren, Va. Like many military installations, the base sits at the end of the power line. Last year it lost electricity 11 times. Capt. Kenneth Branch, the commander for Naval Facilities Engineering Command Washington, estimates that the two days the center was without power during Hurricane Irene this summer cost it $60,000. "That's just lost industrial productivity," he said, noting that the numbers helped him justify infrastructure investments. "I also spend a lot of money on my labor trying to figure what were the problems and get back up and online." A fuller accounting could also count the costs associated with backup generators, including labor required for maintenance, the price of buying and transporting fuel, and the risk of failure. Pentagon officials say they are beginning to think through some of these calculations, but nobody is sure yet whether extra money would follow. "If the military is really serious about this, are we going to have to spend some dedicated funds on energy security?" the Army's Kidd said. "I don't know the answer to that, but I think those are the questions we need to start to ask." Looking to Congress Ultimately, the answers to those questions will come from Capitol Hill, where lawmakers have been bitterly divided on energy policy. Indeed, a military energy issue that has become a symbol of the larger energy policy debate was one of the final points to be resolved in last month's congressional budget deal. Republicans mounted an effort to exempt the military from a 2007 ban on purchasing fuels like liquefied coal that have a higher greenhouse gas content than traditional petroleum, but in the end they acquiesced, leaving the ban intact.

## PC Key

#### First, Star ledger 1/1 says Obama’s leverage is key- congress put off the big battles in fiscal cliff and the debt ceiling/sequester is where Obama will have to flex his capital to get a deal done

#### Second, His pc is key-

#### [a.] key to persuade Republicans over new revenue versus new cuts

Financial Times Jan. 2nd

[FinancialTimes.com, Jan 2, 2013, Obama trades one US cliff for another,http://www.ft.com/intl/cms/s/0/b983357c-54d8-11e2-a628-00144feab49a.html#axzz2Gt9dH0xY, uwyo//amp]

Mr Obama has said consistently he will not negotiate with the Republicans over the debt ceiling. But it is difficult to see how he will be able to delink his request for a debt-ceiling increase from the parallel negotiations over the sequester. Republicans are demanding a dollar in spending cuts for every dollar they approve in higher borrowing limits. Mr Obama insists that any spending cuts must be matched equally by new taxes. Quite how, or whether, these divisions can be reconciled in time to avert a technical sovereign default is worryingly unclear. In the next eight weeks Mr Obama must persuade Republicans to avoid triggering a sovereign default. Given Mr Boehner’s tenuous position as Speaker, Mr Obama will need to make a serious offer of reforming entitlements, notably Medicare and Social Security. These are reasonable trade-offs, as the president’s own SimpsonBowles commission pointed out.

#### [b.] needs to use the bully pulpit-casts blame on Republicans

Shear & Calmes Jan. 2nd

[MICHAEL D. SHEAR, chief writer for The Caucus, the political blog for The New York Times., and JACKIE CALMES, Lawmakers Gird for Next Fiscal Clash, on the Debt Ceiling, <http://www.nytimes.com/2013/01/03/us/politics/for-obama-no-clear-path-to-avoid-a-debt-ceiling-fight.html?pagewanted=all&_r=0>, uwyo//amp]

In saying he will refuse to bargain over the debt limit, Mr. Obama is counting on help from the business community, given its traditional ties to Republicans. Recently, for example, the head of the Business Roundtable, John Engler, a Republican and former governor of Michigan, called for extending the debt limit for five years. “You don’t put the full faith and credit of the United States’ finances at risk,” said David M. Cote, chairman of Honeywell and a Republican member of the 2010 Simpson-Bowles fiscal commission. “The whole idea of using debt ceiling that way or saying ‘I’ll do this horrible thing to all of us unless you give in’ just doesn’t make any sense for anybody. It makes me very nervous. It’s not a smart way to run the country.” Mr. Obama might also take to the road again, using the power of his office in an effort to convince the public that another fight over the debt ceiling risks another economic crisis. Public polls after the last debt ceiling fight suggested that more people blamed Republicans for the threat of a shutdown.

#### [c.] k2 get Democrats on board with spending reductions

Bigelow Jan. 3rd

[William Bigelow, Breitbart writer, Jan. 3rd, 2013, MCCONNELL: A DEBT-CEILING FIGHT WITH OBAMA WHETHER HE WANTS IT OR NOT, <http://www.breitbart.com/Big-Government/2013/01/03/McConnell-A-Debt-Ceiling-Fight-With-Obama-Whether-He-Wants-It-Or-Not?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+BreitbartFeed+(Breitbart+Feed)>, uwyo//amp]

Mitch McConnell is gearing up for a massive battle with Barack Obama over the debt limit. He wrote in a Yahoo op-ed that there is going to be a fight with Obama "whether he wants it or not." The present $16.4 trillion debt ceiling is the line in the sand for Republicans now; as McConnell wrote, The president may not want to have a fight about government spending over the next few months, but it’s the fight he is going to have, because it’s a debate the country needs … For the sake of our future, the president must show up to this debate early and convince his party to do something that neither he nor they have been willing to do until now. Over the next two months they need to deliver the same kind of bipartisan resolution to the spending problem we have now achieved on revenue — before the eleventh hour.