

# Daily on Energy: Former drone CEO wants a crack at curbing climate change with nuclear

by John Siciliano & Josh Siegel | April 16, 2019 11:58 AM

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## **FORMER DRONE CEO WANTS A CRACK AT SOLVING THE CLIMATE PUZZLE WITH**

**NUCLEAR POWER:** Bret Kugelmass says that he's aiming to harness nuclear energy to address climate change in a way that doesn't kowtow to special interests in Washington, whether it be environmentalists or the energy industry.

Kugelmass, 32, a robotics engineer from Stanford with a background in developing electric cars for Panasonic and rovers for NASA, sold his most recent venture, the Airphrame drone company in Silicon Valley, to set up a permanent D.C. shop called the Energy Impact Center, which has about 20 staff members.

His goal is to address the threat of climate change in an apolitical way, skirting the politics of the "Green New Deal" or the push for an all-of-the-above energy strategy talked up by the administration.

Kugelmass is not looking for government action to counter greenhouse emissions and curb global warming. Most of the current proposals being debated, such as subsidies for low-carbon power plants, "just help carve out a slightly bigger pie for your special interests," he tells John in an interview.

If it's about doubling or quadrupling market share for an industry, he is not interested. The goal is to take on climate change, not grow industry profits.

**He faces suspicion from the industry:** In the past, the electric utility industry and other energy segments have looked upon Silicon Valley with suspicion, especially under the previous administration, which shared close ties with Google.

Some in the energy sector argue that the two businesses are incompatible, and that the tech sector is driven by a profit motive that doesn't quite apply to utilities — their businesses are regulated by federal and state laws and are required to maintain a high degree of reliability.

But Kugelmass says his focus is on lowering the costs of nuclear power. Through what he calls the Nuclear Energy Grand Challenge, the think tank will compile and assess the difficulties in building power plants.

His goal is not to save the nuclear industry, but to address climate change by using this already available zero-emission technology, he reiterates.

**But the goal doesn't stop with just reducing the cost of nuclear power:** The group is planning to use nuclear power for the real focus of his effort, which is to build out a global network of industrial facilities that suck the carbon dioxide directly out of the air and turn it into fuel.

It's not that wild of an idea. It's been kicked around at the Energy Department since the **George W. Bush** administration, where the focus was turning nuclear power plants into generators of hydrogen fuel for the hydrogen economy that Bush envisioned.

Biofuel companies in the U.S. are currently using carbon dioxide taken from nearby coal plants to grow algae, which thrive on CO<sub>2</sub>, that is then converted into biodiesel fuel.

**Pulling fuel from out of thin air:** Kugelmass' idea would mirror some aspects of both those ideas, but on a much larger scale — he says that is the answer to the problem of global warming.

"I'd argue that the only thing that can solve climate change is to create carbon-negative fuels — synthetic fuels ... from the air that are cheaper than carbon-positive fuels," Kugelmass says.

He wants to make it cheaper to create transportation and heating fuels from capturing CO<sub>2</sub> from the air than drilling or digging them out of the ground.

He believes there is no amount of money or subsidies in the world that will address climate change, unless "you are actually making fuel itself, energy itself — the thing that society needs to live on." And nuclear is the only energy source that can power the direct-air-capture facilities to do that, he says.

*Welcome to Daily on Energy, written by Washington Examiner Energy and Environment Writers John Siciliano (@JohnDSiciliano) and Josh Siegel (@SiegelScribe). Email [dailyonenergy@washingtonexaminer.com](mailto:dailyonenergy@washingtonexaminer.com) for tips, suggestions, calendar items, and anything else. If a friend sent this to you and you'd like to sign up, [click here](#). If signing up doesn't work, shoot us [an email](#), and we'll add you to our list.*

**TRUMP PRODDER BY INDUSTRY TO NOMINATE NEW FERC MEMBERS:** The Natural Gas Council, a coalition of major oil and natural gas trade groups, sent a letter to **President Trump** on Monday, urging him to restore the Federal Energy Regulatory Commission to its full five members.

“A full Commission has five members, but FERC currently has four members and a sitting Commissioner’s term is set to expire this summer which will create a second vacancy,” the letter read. “The lack of a full Commission can delay the approval of pending projects, such as natural gas infrastructure projects, thereby hindering the advancement of critical infrastructure.”

Democratic Commissioner **Cheryl LaFleur’s** term expires on June 30. Trump also has to fill a Republican seat on the commission that was left vacant after the passing of former FERC Chairman **Kevin McIntyre**.

FERC is made up of equal members from both parties, with the chair holding the same party affiliation as the president.

### **GOP CLIMATE HAWK FRANCIS ROONEY FIGHTS THE ‘POLITICAL WINDS’: NAPLES, Fla. —**

Josh recently joined Rep. **Francis Rooney**, R-Fla., to tour climate change impacts on his district, riding on a pontoon boat in the Rookery Bay south of Naples.

Rooney, the leading GOP proponent of combating climate change, was a passenger with 35 of his constituents — and heaps of Chick-fil-A sandwiches — on a tour of Keewaydin Island, a state and federally managed barrier island.

“These are my environmental supporters protecting me from the wrath of the oil business,” Rooney told Josh of companions on the boat, a group that included conservationists, environmentally conscious students skipping school, small business owners, retired CEOs, and fishermen.

Rooney visited Keewaydin Island, a state and federally managed barrier island, which protects mainland coastal communities from storms. The island is retreating, and if sea level rise from global warming continues unabated, it may migrate to higher ground or even drown, exposing residents of Rooney’s conservative southwest Florida district to storm surge.

On the boat ride, Rooney had a message for GOP leaders, who spurned his efforts to join House Speaker **Nancy Pelosi’s** select climate change committee, and have not endorsed his main cause: a federal carbon tax.

“What I posit to Republican leadership is, go ask your kids or your grandkids about the environment,” Rooney told Josh. “A lot more people are concerned about the environment and climate change than the conservative political establishment would like to admit.”

Read more of Josh’s story in this week’s *Washington Examiner* [magazine](#).

**BERNHARDT FINDS HIMSELF UNDER INVESTIGATION:** The Interior Department’s inspector general on Monday opened an investigation into ethics claims surrounding **David Bernhardt**, Trump’s newly appointed interior secretary.

The Interior Department confirmed to John that the probe was initiated on Monday at the request of Democrats, just days after he was confirmed by the Senate.

Democratic Sens. **Ron Wyden** of Oregon and **Tom Udall** of New Mexico led the charge in requesting that the inspector general investigate whether Bernhardt violated lobbying laws while serving in his previous capacity as deputy interior secretary.

[Read more here](#) from John's article.

**MICROSOFT COMMITS TO CARBON TAX:** Tech giant Microsoft [announced](#) late Monday it is nearly doubling its internal carbon tax that funds the company's sustainability efforts, and is joining a GOP-led group advocating for Congress to pass a federal carbon tax.

Microsoft's self-imposed carbon tax, first established in 2012, will rise from \$8 to \$15 per metric ton, as the key component of its goal to cut its carbon emissions 75 percent by 2030. It aims to run its data centers with more than 70 percent renewables by 2023.

The company is also turning its attention to federal policy, joining the Climate Leadership Council, a group led by two former Republican secretaries of state, **James Baker III** and **George Shultz**, calling for Congress to pass a carbon tax and dividend, where the proceeds of the levy are returned to the public.

Microsoft is the first tech company to join the Climate Leadership, which counts oil and gas companies such as ExxonMobil, BP, and Shell among its members.

## **DEMOCRATIC ATTORNEYS GENERAL FILE COMMENTS OPPOSING TRUMP'S WOTUS**

**ROLLBACK:** A coalition of 15 Democratic state attorneys general filed comments Monday opposing the Environmental Protection Agency's proposal to narrow the Obama administration's "Waters of the United States" rule, or WOTUS.

The attorneys general, led by New York's **Letitia James**, argued the Trump administration's proposed "Dirty Water Rule" violates the Administrative Procedure Act, and is contrary to the Clean Water Act's objective of "restor[ing] and maintain[ing] the chemical, physical, and biological integrity of the Nation's waters."

"If the new rule is adopted, it will end federal legal protections for at least 15 percent of streams and over 50 percent of wetlands across the nation," James said. "We will continue to fight back against the persistent assault on our nation's core environmental protections."

The attorneys general of California, Connecticut, Maine, Maryland, Massachusetts, Michigan, New Jersey, New Mexico, Oregon, Rhode Island, Vermont, Virginia, Washington, and Washington, D.C. also joined the multistate coalition.

The public comment period for the proposed rule closed Monday.

## ENVIRONMENTAL GROUPS CONVENE MIDWESTERN STATE LEADERS ON CLIMATE

**CHANGE:** Environmental groups are hosting a meeting in Chicago Tuesday with officials from Midwestern states Illinois, Michigan, Minnesota, and Wisconsin to discuss regional cooperation for combating climate change.

**Josh Moger** of the Natural Resources Defense Council, which is hosting the discussion with the Sierra Club and other groups, told Josh the meeting represents one of the first discussions of regional climate action in the Midwest in more than a decade.

All four states elected Democratic Governors in 2018 who campaigned on clean energy issues and have signed onto the U.S. Climate Alliance, pledging their states to live up to the goals of the Paris Climate accord. Illinois Gov. **J.B. Pritzker** planned to join the meeting.

## The Rundown

[Wall Street Journal](#) OPEC has a new best friend: Russia

[New York Times](#) US risks roiling oil markets in trying to tighten oil sanctions

[Reuters](#) The uphill road: battery limitations to test China's electric vehicle ambitions

[Bloomberg](#) Canada's oil heartland heads to polls with carbon taxes at risk

## Calendar

### WEDNESDAY | April 17

8:30 a.m., Iowa. The Senate Environment and Public Works Committee [holds a field hearing](#) entitled, "Oversight Hearing on the U.S. Army Corps of Engineers' Management of the 2019 Missouri River Basin Flooding."