On the issue of market speculation, I have concluded three fundamental points: One, American consumers should not bear the burden of those who seek to manipulate markets. Two, the United States should not push our financial services trading to foreign countries. We should not replace excessive speculation with excessive regulation. And three, we should strengthen the futures trading markets. This can be done through investing in additional research, requiring transparency, putting more cops on the beat, and strengthening requirements on foreign boards of trade.

Efforts to address market manipulation require a careful balance. Increased visibility into transactions must not turn into onerous regulations.

More importantly, steps to curtail speculation must be combined with real solutions to address the underlying fundamental of domestic supply and demand. We must insist on efforts to increase our energy supplies, promote conservation, and encourage energy efficiencies. We would be failing the American people if we did not talk about increasing the domestic supply of energy.

I must comment on proposals to punish companies that some believe are not developing leases as quickly as they should. This is a ludicrous argument. Frivolous lawsuits and substantial administrative hoops dramatically delay oil and gas exploration and production even on valid existing leases. These punishing tactics being proposed are akin to leasing an apartment, only to have your landlord withhold the keys and complain about why you haven't moved in yet. Rather than punishing existing operators, we can and should streamline the permitting process.

Recently, I was in the part of Wyoming known as the Powder River Basin. It is in the northeastern part of the State. I heard firsthand about the obstacles people are facing when they try to find more oil and gas. American producers are routinely faced with rules and regulations that limit drilling for one reason or the other.

Typical restrictions are related to both occupancy of the land and the time during the year American producers can operate. Examples of prohibitions include extensive restrictions for bird roosting, for bird nesting, for migration, and for wildlife feeding.

The seasonal prohibitions currently limit exploration to a small fraction of the year in many areas. As we can see from this chart, some areas are off limits to produce for all but 10 weeks of the year, from August 16 through October. This is the only time of the year they can produce. If this calendar represented the blackout dates for using our frequent flier miles rather than the dates blacked out for finding the energy that powers our airlines, I guarantee you that outraged citizens all across this country would be pounding down the doors. Let's take a look. January blacked out. February blacked out. March blacked out, April—go through the calendar—May blacked out, June, July. And the charge from the other side of the aisle is that companies are not producing on their leases fast enough.

The bottom line is, there are many reasons why there may not be active exploration and production on lands already under lease. If Congress is serious about producing oil on existing leases, then Congress needs to critically review the process needed to develop oil and gas wells.

As of late June in Wyoming's Powder River Basin, there were 2,589 applications to drill that were awaiting approval by Federal bureaucrats. These are on land where the company has already paid for the lease but is not yet permitted to drill. They have paid the rent, but they have not yet been given the keys to move in.

The vast majority of the applications face extensive administrative delays. What is the current law? The current Federal law requires that permits be either issued or deferred within 30 days of the day the Government receives the completed application. That is right, the law says Federal bureaucrats must give an answer in 30 days. Well, there are many instances where there is not even the acknowledgment that the submitted application was received. Moreover, the applications sit for months and months, in some cases even over a year, and still Federal bureaucrats have not processed the application to drill.

In a small provision that was slipped into this year's consolidated appropriations act, these production companies now have to, in addition to all the paperwork, pay $4,000 every time they request a permit to drill—a permit that is on land that they have already leased and paid for, a permit that is not being processed in a reasonable, timely manner, and a permit that may not be processed for months or even years.

There are over 850 drilling permits, just in Wyoming, that have been specifically delayed due to policy development, environmental delays, and even litigation. For people to say that oil and gas operators are sitting on leases without any intent to drill is intentionally misleading. In my State, the producers want to drill and they are waiting to drill. They are simply waiting for the Government traffic cops to give them the green light.

For people who claim they want to increase domestic supply of energy on leases that have already been paid for, there is a place you can focus your effort. Focus on the thousands of permits nationwide, and especially in my home State—permits that have not yet been granted, permits that are being held up while waiting for the Government bureaucrats to act. The leases have been paid for, the workers are ready, and literally, today, standing by ready to work. All we are waiting for now is for the Government paperwork.

This is no way to run a country.

I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Will the Senator withhold his request for a quorum?

Mr. BARRASSO. I will withhold the request.

## RECESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, at 12:32 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

## STOP EXCESSIVE ENERGY SPECULATION ACT OF 2008—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I wish to speak on the legislation that is before us, on the question of dealing with energy and in particular the price of gasoline. We have had months now of nonstop talk in Washington about gas prices.

Across the country, in my home State of Pennsylvania and in the Presiding Officer's home State of Delaware and in so many other places around the country, people are frustrated. They do not feel Washington has been responsive to the concerns they have, and it is about time we did a lot less talking and do some acting and some legislating. It is for that reason I stand before you to talk about this issue in a broad sense, but in a particular sense, in terms of the legislation we have a chance to vote on this week or next week and certainly no longer than that.

I wish to commend Senator REID, the majority leader, and Senator DURBIN, the assistant majority leader, and others for bringing a number of measures to the floor aimed at addressing the high prices of gasoline. Since we started working on gas price legislation 2 months ago, prices in Pennsylvania have risen 40 cents, from $3.60 to $4.00. The average Pennsylvania family now is spending $2,792, almost $2,800 more on gasoline than they were just 7 years ago, at the beginning of the current administration.

On top of that, people in Pennsylvania, who are the second largest users of home heating oil in the whole country, are eyeing the approaching cold-weather months and wondering how they will be able to afford to heat their homes, especially older citizens and low-income people living in rural areas, where they have to travel far distances to go to the grocery store or to go to work or to live their lives. A few weeks ago, I met with some home heating oil retailers from northeastern Pennsylvania, in my home area. That

is where I live and that is where they live. Now, these are retailers, not some people in Washington but retailers in northeastern Pennsylvania, and their No. 1 request was to end excessive oil speculation.

These retailers are on the frontlines of this oil crisis, and they see families struggling to pay all their bills. One of the people I met with was Ron Kukuchka, and he told me the story of a customer last winter who stood in his store and literally counted out three piles of cash: The first one was for this woman's home heating oil, the second was for her prescription medication, and the third pile of cash she had to put on the table, literally, was for food. At the end of her counting, she had $30 to pay for the next month's rent.

Tammy May, a woman from Pleasant Gap, PA, was quoted in the paper last week—and I read her brief statement to Chairman Bernanke in talking about the issue of recession and the economy—and this is what Tammy May said. And keep in mind this isn't some Washington analyst, some politician or someone here debating this issue. This is the reality Pennsylvania families are facing. Tammy May said:

> The house payment is first, then day care, then we worry about gas, then food.

That is the life of Tammy May, and that is the life of too many American families. It is unconscionable—it defies description to even say it—it is unconscionable to allow this to happen to families living in the richest country in the world. Is it any wonder people across this country are fed up, and in some cases angry, about no action in Congress?

So once again, a lot of people in this Chamber, but especially I think on this side of the aisle, are trying to pass a bill to deal with the high price American families are paying at the pump while we continue to work as a nation to implement long-term energy solutions. That is why I am proud to cosponsor the Stop Excessive Energy Speculation Act of 2008, because I think it is a proposal with the potential to impact gas prices. It is not a magic wand, it is not some quick fix for gas prices, but it has the potential to have a positive impact on this issue.

Here is some testimony to that effect. Last month, the managing director and senior oil analyst of Oppenheimer & Company said:

> The surge in crude oil price, which more than doubled in the last 12 months, was mainly due to excessive speculation and not due to an unexpected shift in market fundamentals.

So says an analyst at Oppenheimer & Company. And the CEO of Marathon Oil, not some Democrat who is trying to make a point or some Washington political scientist, the CEO of Marathon Oil said:

> $100 oil isn't justified by the physical demand in the market. It has to be speculation on the futures market that is fueling this.

So for those who want to make the case that speculation is irrelevant to this debate, I think there is more than ample evidence to suggest they are wrong, and there is other evidence to suggest they are deliberately misleading people. Let's be honest about it. Unfortunately, the counterproposal in this Chamber and down the street in the House is to simply drill our way to energy independence. We know that will do nothing to lower gas prices.

The Bush administration's own Energy Information Association has clearly stated that if we opened the entire Outer Continental Shelf ''any impact on average wellhead prices is expected to be insignificant.'' Insignificant. Again, that is the Bush administration's energy information office.

Aside from the larger issue of world oil prices and limited American oil reserves, there are practical reasons that drilling would not work. The world's fleet of drill ships, which are used for exploratory drilling of new oil and gas wells, are booked solid for the next 5 years—5 years. Even if we waived every environmental law, oil companies would be unable to start pumping oil for years.

President Bush has acknowledged that increased domestic drilling would not lower gas prices at the pump. It is merely, in his words, ''psychological.'' Psychological. Well, psychology is not going to solve our energy problem, and neither will gimmicks and some of the things that have been pushed in this Chamber recently.

A series of goals to reduce gasoline consumption through efficiency and alternative fuels is our only hope, and the only way to achieve those goals is to map out a strategy, and then, as the advertising tells us, do it. Do it and pass legislation. That is what the people in Pennsylvania and all of America are expecting and demanding of Congress—leadership to chart a course that gives us real solutions, along with some immediate relief.

The bill we are debating will bring some sunlight—it is not a magic wand—to the futures market so regulators will have the information they need to rein in excessive speculation and detect price manipulation.

Will this bill solve all our energy problems? No, it will not. But it has the potential to provide relief to families who are paying to line the purses of the futures market middlemen while we implement a long-term solution to end our reliance on oil, and in particular to end our reliance on foreign oil.

So I hope my colleagues will support the bill, and I hope we can work in a collaborative way across the aisle and across the Capitol, in the House of Representatives, to lay out real solutions for the problem that is facing American families.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, how much time is remaining in this segment?

The PRESIDING OFFICER. The time is unlimited.

Mr. DURBIN. Mr. President, pending before the Senate is the energy issue, and, of course, America would expect that. If I went back to my home State of Illinois—if I went to any State—and stopped the average person on the street and said: Got any problems? They would say: How about gas prices, Senator? Are you paying attention? Because if you are paying attention, you will notice that as we drive down the street in the morning on the way to work or back home from getting the kids from school, you take a look at the signs at gas stations and they are startling. They are going up all the time. When you pull in to fill up, if you can afford it, you are putting more money on the counter than you have ever done in your life. People are saying: What is going on here in America? We can't afford this anymore.

I took my little Ford pickup truck to a Shell station in Springfield, IL, a couple of weeks ago, and at the end of the day, it cost $61 to fill up that little pickup truck. I thought to myself: Glad I don't have to do this very often. But some people have to do it once a week—and sometimes more often—and it is a serious problem. It is real cash money coming out of their pockets as they are struggling to keep up with the cost of living.

What is going on here? Well, over the last several years, several things have happened. One of the things that has happened, we know for sure, and there is no question about this, the big oil companies have steadily increased their profits since President Bush and Vice President CHENEY came to office, dramatically increasing them to the point where these businesses—the oil companies—are making more money than any business in the history of the United States—not just in the oil business but any business. They have broken the records in reporting these profits.

Of course, they want to explain it to us, and so they buy full-page ads, if you take the time to read them in the newspaper, explaining we are not making that much money. They compare themselves to other industries and companies, and yet the bottom line is there is pretty dramatic increases in their profit-taking. In fact, they are breaking all records. This ad, of course, was paid for by, as they say, the people of America's oil and natural gas industry—something called energytomorrow .org.

Most of these ads are being sponsored and paid for by the people who are making the money. The American Petroleum Institute is one of the major sponsors of this advertising, saying: We are not making that much money. But Americans think differently, because in addition to this chart showing the oil company profits, this one tells us what has happened to the price of gasoline since President Bush took office. It is not current because it still shows

the price of gasoline below $4 a gallon. I know in my hometown of Springfield and in Chicago, the price is way over $4. It may be closer to $4.50. I wish it were not going up, but I am afraid it might.

So we have seen oil company profits rise and the price of gasoline go up as well. There are various ways to look at this. You can say to yourself: Something is wrong and I need a solution and—most people say—I need it right away because I have to fill up again next week. So what are you going to do right now to deal with it? Well, honest people, in responding to that, will tell you there is little we can do today to change the price of gasoline tomorrow. But there are things we can do in the short-term that will have an impact.

The Republican side of the aisle has one approach, the Democratic side of the aisle a slightly different approach. The Republican side of the aisle is arguing we should drill now—we need to drill for more oil, right now. The obvious argument being that if the supply should increase, prices should go down. That, of course, is their argument. They overlook what the Senator from Pennsylvania mentioned a few minutes earlier—if we decided today, if we picked out one piece of territory in the United States or off our shore and said: We think there is oil here, and so we are going to drill for it, we are going to bring it up out of the ground, take it to the refinery and turn it into gasoline and we will feel the impact on price, it would take us, the estimates are, anywhere from 8 to 14 years for that to happen.

It is a pretty massive investment to go into drilling, with all the sorts of seismological and geological testing that has to be done, and they have to secure the equipment in a market that is now kind of pushed to the limit.

It takes a long time. So to argue ''drill now'' is to say ''drill in 8 to 10 to 12 years and then hope that it makes a difference in the marketplace.''

Many people are arguing that point of view. They are arguing that we should be drilling for more oil. In fact, the same ''people of America's oil and natural gas industry'' are buying full-page ads in many newspapers around the country saying: Smart energy policies and good energy politics involve drilling more now.

So the industry that wants to benefit from the drilling, the industry that is to profit at a record level from the drilling is buying the advertising, and our Senators on the other side of the aisle have accepted this battle slogan. This is what they tell us we need to do is to drill now. But, of course, there are some realities they often overlook in making this drilling now argument. Here is one that you cannot ignore.

It is the reality that we have to be very sensitive to—it is this. This is the percentage of world oil reserves. And if you look, the country with the largest percentage is Saudi Arabia, 20 percent of known oil reserves. Then you look at the United States, 2 percent; some say 3 percent. That is an estimate of all of the possible oil we could drill, if we could drill everywhere, all the time, and do it as quickly as possible—2 to 3 percent.

Now, that is an eye opener to think that so little of the world's oil reserves are actually within the control of the United States of America. So to say drill now is to give access to 2 percent of the oil. Well, is it enough? Take a look at the oil consumption. The U.S. consumes about 24 percent, almost one-fourth of all of the oil that is produced and refined, and the rest of the world: 76 percent; 2 percent of the supply, 24 percent of the consumption. To argue that we cannot drill our way out of it is fairly clear. We do not have enough oil in the command and reach of the United States to solve our economy's needs. We are going to have to look beyond drilling for oil into other options as well.

I think that is one of the realities the other side of the aisle has not acknowledged. But there is oil available and land available to be drilled. There are 68 million acres of Federal land, controlled by our Government, by us as taxpayers, that has been leased to the oil and gas companies.

We have said to them: Would you be interested in drilling on this land for oil and gas? They have put money on the table, signed leases to have that right to 68 million acres of land. We believe that acreage could produce 4.8 billion barrels of oil. That would nearly double the total U.S. oil production. That 4.8 billion barrels of oil equals more than six times the estimated peak production of the Arctic National Wildlife Refuge, which is another thing that is brought up often.

So, currently, of the 68 million acres under lease from the Federal Government for oil and gas, the obvious question is, why are not the oil and gas companies drilling there? They believe there is oil and gas, they paid the lease to do it, but they are not using it. They have set this aside and they are not using it. They are not drilling on this land. And we have not stopped offering land to the oil and gas companies.

Just recently, since January of 2007, we made 115 million acres of Federal land available for the oil companies to bid on oil and gas companies, to drill for more oil and gas, 115 million acres offered. What is that the equivalent of?

Well, this little line represents the line of I–80 across the continental United States from New Jersey to California. And the 115 million acres is the equivalent of taking a 62-mile-wide swath along I–80 from coast to coast 62 miles wide. That is how much land we have made available to the oil and gas companies to bid on for exploration.

How much have they actually bid on? Only 12 million acres—12 million acres. When the other side argues there is not an opportunity for more oil and gas, to say, well, why did they not bid on the acres that were offered? Why are they not drilling on the acreage they currently lease, something this next map will kind of show you from a viewpoint of the Western United States what I am talking about.

All of the colored portions of this map of the Western United States represent Federal lands that are being leased for oil and gas exploration. If you will look carefully, the black sections are those that have been leased and are in production. The red, which dominates and overwhelms this map, is federally leased lands that oil and gas companies are not actively using. They have set the lands aside. So to argue that they do not have opportunity for oil and gas drilling ignores the obvious; they do.

Then they say: Well, what about the Outer Continental Shelf? This gets sensitive because there are communities along the Gulf of Mexico and the Western United States that have environmental concerns about offshore drilling.

The fact is, a lot of offshore land under the control of the Federal Government has been available for oil and gas exploration for a long time. There are 68 million acres leased to oil companies. Of that, 33.5 million are offshore. Again, the red sections are leased lands, Federal lands, leased to oil and gas companies that they are not touching, that they are leaving to sit idle as they come to Congress and argue: We need more millions of acres to explore.

These are lands they are paying to lease, and they are not exploring. This is the situation where we have a real challenge, a challenge that reflects the reality of what we are up against.

The reality is this. There are opportunities to responsibly drill for oil and gas. We think those opportunities are there now, and we can add to them in a sensible way. So exploration and production is part of the answer to the gasoline and oil prices that we face today. But it is not enough. It is not enough.

We know in this long time lag between deciding to drill and actually bringing up oil, we have to think about what we can do now to make a difference. Well, here is one idea: We have what we call the Strategic Petroleum Reserve. It is 700 million barrels of oil that we have set aside for the safety and security of the United States. We have said, if the time ever comes when something awful occurs, we cannot bring the oil from overseas that we currently need, we have this little stockpile—not so little stockpile—of strategic petroleum that is available.

We are making the suggestion that we take 10 percent of it, some 70 million barrels of sweet crude oil, and release it over a period of months on the market. The belief is, if the Federal Government sells that, first it will bring in money. That is oil that we paid less for. Now it is commanding higher prices. And, secondly, more supply on the market in the short term

should bring down the price of a barrel of crude oil and the price of the products made with that crude oil, whether it is gasoline or jet fuel.

So immediately it will start bringing down prices. The Democratic side is calling for continued exploration in the millions of acres that are already available to oil and gas companies; and, secondly, selling out of the Strategic Petroleum Reserve 70 million barrels or so of oil to bring down the market price and to make gasoline and other products more affordable.

That could have an immediate impact. Is it the answer to our concerns? No. It is a temporary move, but we need it. At a time when airlines are cutting back 20 percent of their schedule and laying off 20 percent of their employees and more to follow, at a time when businesses are struggling against the possible recession, and the turnaround in our economy, we need to provide that help.

But we need to do more. We have to look beyond exploration and even the Strategic Petroleum Reserve to the real honest challenge we face; that is, coming up with an energy policy so we do not find ourselves in the predicament we are in today with the Republicans arguing, keep on drilling and do not worry about tomorrow, and others coming up with solutions that might have a temporary benefit but not a long-term benefit.

What is the long-term answer? Well, the long-term answer can be found from a number of people, one of whom is a fellow whose name you can hardly ever forget: T. Boone Pickens. Mr. T. Boone Pickens, who has made several billion dollars in the oil industry, is now spending some of his money on television advertising. You can hardly miss him if you are in Washington and other parts of the country.

Here is what Mr. Pickens recently said: I have been an oilman all of my life, but this is one emergency we cannot drill our way out of. But if we create a new renewable energy network, we can break our addiction to foreign oil.

What he is saying is what we all instinctively know: there are ways for us to reduce our consumption of energy and still have a strong economy and a good life in America. The changes are not going to be dramatic; they have to be thoughtful.

First, we need cars and trucks that are more fuel efficient. My wife and I bought a Ford Escape hybrid a few years ago. It is no Prius. It gets about 27 miles a gallon. That is pretty good by most standards. If you drive a Prius, you might get 45 miles a gallon, to give you a comparison. So we can do better when it comes to cars and trucks that we build, make them more fuel efficient.

I read in this morning's New York Times that Ford Motor Company has decided to get away from the SUVs and heavy trucks and start building more fuel-efficient cars and trucks. That is long overdue. If they had been moving on this before, they would not be in the situation they are in today. So making more of those vehicles available is a smart move.

Mr. Pickens believes we should have more of these vehicles fueled by natural gas. It would have less of a negative impact on the environment, it is more plentiful in the United States, and it could, in fact, fuel our economy.

There are those who argue we should move to another technology, plug-in hybrids. You come home at night, you plug in your car, your truck, it is good for 40 miles in the morning, which is all we need each day, before the gas engine kicks in, and it does not pollute. In the process, you get electricity from sources that are also clean.

Yesterday in my office was a man who is involved in wind energy. My State, which I never dreamed would be a major player when it comes to wind energy, has wind farms popping up all over, literally hundreds of those wind turbines generating electricity without polluting.

The opportunity across America is almost limitless to replicate that technology once we have made an investment in the infrastructure of transmission and distribution lines. But that is part of the overall picture.

America's energy policy involves renewable and sustainable sources of energy. We cannot talk about the energy issue without raising two other important issues. One is our Nation's security. As long as we are dependent on Saudi Arabia and the Middle East for our oil, we are going to be drawn into foreign policy choices that we do not want to face. We will be drawn into wars and challenges domestically and diplomatically that we never would have faced if we were not so dependent.

So reducing our dependence on foreign oil is a small thing from our country from a security point of view and also from the environmental side. I am one who believes in global warming. I believe it is a serious problem that is getting worse. If we do not do something about it, we are going to leave a much different world to our children and grandchildren. So as we think about our energy challenge, we need to put together with that challenge an answer which meets the environmental challenges to reduce our pollution. I think we can do that. I think we can put these things together. And in combining them into an integrated energy policy, we can find ways to reduce our energy consumption without compromising our quality of life or the growth of our country.

I have listened carefully to the other side as the Republicans have come to the floor. And there are two things which you will never hear as they get up and speak: First, they are not critical of speculators. They are not critical of those who are speculating in the energy futures market.

Many people believe, and I am one of them, that there is excessive speculation, perhaps even manipulation, in some of these markets. Our bill says, and I think we should, put more regulators in charge of the energy futures industry to make sure everyone is playing by the rules, to make sure some of the major traders are not pushing up the prices strictly for profit taking.

I cannot see what the problem is with that kind of regulation. We support that. We want more and more markets to be disclosing. I want to know who is trading in these massive amounts on energy futures and driving up the price of a barrel of oil.

Regulating that is a sensible thing to do. I want to make sure the markets are available for commercial applications so that if an airline such as Southwest, which has received quite a bit of attention—if Southwest does try to protect its future cost of jet fuel by hedging or buying futures in the oil market, that is a good thing. And the markets should be there for them. But if some wealthy investment bank decides they want to move around a couple of billion dollars and play the market on oil prices, and people across America are paying higher gasoline prices as a result, I am not sure I am going to stand by and applaud that.

I want to make sure there is a sensible market, well regulated, with reasonable limits in trading. So we believe speculation is an important part of this issue. Time and again, Republicans have come to the floor over the last several days saying: Oil speculation is not the problem. I disagree.

The second thing is, we have to address the oil companies. The profit taking that is going on there is hardly ever criticized on the other side of the aisle. It should be. The oil companies are doing quite well, at the expense of average families, businesses, and farms. So putting together a comprehensive energy package involves responsible exploration and production. It involves releasing oil from the Strategic Petroleum Reserve to bring prices down on a temporary basis.

Also, we need investments in technology and research so the cars and trucks we drive are more fuel efficient. We need ways to make sure buildings and others things we invest in are greener and more energy efficient. We need to be thinking about new technology and research that moves the Nation forward so the economy grows but not at the expense of the average person trying to pay gasoline bills and not at the expense of an environment children will need to live in to have the good life we have had in this world.

I hope we can have a comprehensive approach. We have offered Republicans one basic procedural opportunity, but I think it couldn't be fairer. We have a speculation bill. We have offered them: Bring a speculation bill before us. You can have your debate. We will face the same vote. Let's see who wins. We have an energy bill. Bring your energy bill before us. Let's have a debate. Let's

have the same vote one way or the other. Let's see who wins. How much fairer could it be? They get to devise their own amendments, put what they want in, and bring it for a vote. That is fair. I hope they will accept it, and I hope this important debate will start soon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I appreciate many of Senator DURBIN's remarks. I don't see why in the world we can't reach some sort of bipartisan consensus on how to go forward with the national crisis that is hitting us today.

He and others have hinted that they are willing to produce more energy in America rather than spend $700 billion a year of our wealth exporting it to countries such as Venezuela or Saudi Arabia to purchase the 60 percent of oil we use. But they don't propose that. The only legislation they have proposed is the speculation bill. I suspect there are a lot of things we can do to deal with speculators who are acting improperly. I support that and don't have any problem with them, although I think we want to be careful and not only repeal the futures market, apparently, as some would suggest we should do. I think we should move on it, and we have a lot to do in that area.

But I have been asking myself, why is it that we are not seeing any substantive effort on the majority side to deal with the clear crisis we have? And the crisis is that the entire world is using more oil and gas; Saudi Arabia, Venezuela, and other countries are reducing their production, even Russia, I understand, and Mexico. As a result, we have shortages. That is how speculators manipulate. They are able to manipulate when there is a shortage. We need to fundamentally—do something about the shortage. When we have a choice—and we clearly do—we should produce our energy from America, keeping all that wealth here and not sending it abroad to countries, many of which are not our friends. That is so basic, it goes beyond logic.

I had a little idea, maybe, as to what is going on here. It came to me when former Vice President, former Democratic President Al Gore, in his speech this week, renounced all fossil fuels and declared that this Nation ought to have as its policy to eliminate fossil fuels totally from making electricity in 10 years. That is one of the most breathtaking statements I have ever heard. Fifty percent of our electricity today is coal; 20 percent is natural gas. What he is saying is, we don't produce any more, and we are going to make all of our electricity in 10 years from renewables—wind, solar, and biofuels. We have already hit 5 percent of our fuel for gasoline from corn ethanol. Most people—I think everybody agrees—agree we are at about the max we can possibly get from corn. So I think there is some real potential with cellulose wood products. Senator ISAKSON and I have talked about that. Our States have a good bit of waste wood in the forest that could be a nice improvement, and perhaps produce a good bit more, even than corn ethanol.

But I want to go back to the situation. Are our colleagues on the other side who claim to be interested in helping America get through this terrible economic time not going to discuss with us how to produce more energy at home? I can't believe that. The only thing that is consistent with that policy, which we have seen for some time now, is the consistency of former Vice President Gore's statement this week that he wants to take all of our electricity and produce it from nonfossil fuel sources, which is unthinkable. Unless there is some monumental breakthrough, it is not possible. It is not going to happen. It cannot be the basis of a sound energy policy by any responsible official in America, it seems to me. Maybe I am wrong, but I don't think so.

After the price of gasoline spiked, we ended up with our majority colleagues offering a cap-and-trade bill that they wanted to pass that, in effect, would be a major tax on energy, which the EPA said would raise the price of gasoline by $1.50 a gallon and could double the price of electricity. This is what we are seeing here. I don't think that is reasonable.

Our goal should be to change the extent to which we have to use fossil fuels. I am for limiting them. I am for better efficiency. I am for geothermal. I am for solar, if we can make it work. I am for wind, if we can make it work. The whole Southeast is generally recognized as not a place where any wind energy can be efficiently produced.

What we have to do is be realistic about the multiplicity of steps it takes to be independent and to reduce our $CO_2$ emissions, our global warming gases, and to make our environment cleaner.

I will take a moment and ask the desk how much time I have used. I would like to be notified when I have used 10 minutes.

The PRESIDING OFFICER. The Senator has used 6½ minutes, and the Chair will be pleased to notify the Senator when 3½ minutes is up.

Mr. SESSIONS. I thank the Chair.

I ask unanimous consent that the time allocated to the Republican side be limited to 10 minutes per speaker.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Senator DURBIN did say we need to have an opportunity to offer amendments and vote on amendments and let's talk about how to develop a national energy policy. I take that as a good statement. The only thing I am worried about is that will be one of these deals in which we on both sides say: Your amendment has to have 60 votes to pass and our amendments have to have 60 votes to pass. We do that a lot of times because we know neither side will get 60 votes. What we need is some bipartisan participation, and we need to do some things.

Eighty-five percent of our offshore oil and gas is under a moratorium. We have blocked the Air Force's ability to use synthetic fuels produced from coal. We—I say ''we,'' I mean the Democratic majority, in truth—slipped that through in the last Energy bill that passed.

Our colleague, Senator OBAMA, a Member of this Senate, the nominee of the Democratic Party for President, praised Vice President Gore's speech and has not made, to my knowledge, one specific criticism of it. In the former Vice President's speech, he did not in any way suggest nuclear power as one of the solutions to the difficulty we are in, which is pretty much unthinkable, if one gets my drift. It has to be done.

Nuclear power is making a comeback around the world. According to the World Nuclear Association, 129 plants are currently on order or under construction in 41 countries and 218 more have been proposed. We have 104 in America. It makes 20 percent of our electricity. Fifty percent is coal, 20 percent is natural gas, 20 percent is nuclear, 10 percent is all the rest, with less than 1 percent coming from wind at the present time. These European countries, advanced countries, have come to clearly recognize that nuclear power is the best way to produce clean base load power without it emitting pollutants. England, the United Kingdom, has recently commissioned eight new reactors, reversing its recent policy to abandon nuclear power. Germany's Chancellor Angela Merkel has also recognized the importance of nuclear power in meeting their challenges, calling for a halt to the odd plan they had to close down their existing reactors. The American people also support the expansion of nuclear power. Of course, France has 80 percent of its power coming from nuclear, and Japan is soon to pass the 50-percent mark. According to an MSNBC poll, 67 percent of the American people support building more nuclear powerplants.

I see the Chair is calling my time, and other Members are here to speak. I do believe that in any component to move to clean, nongreenhouse-gas-emitting energy, nuclear power has to be a part of it. I have not seen that in my colleagues' plan, zero from the Democratic side on this issue. It is something we must do.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Mr. President, in just short of 2 weeks, the Senate will leave for what is the traditional August recess. There is one thing about which every Member of this Senate today agrees upon, not a single dissenting statement from anybody—the largest problem and biggest issue facing the American people today is the rising cost of energy and specifically the high

cost of gasoline. It would be sad and disappointing if this Senate adjourned for a recess in August without having addressed the energy problem in a meaningful, bipartisan, multifaceted way.

In the speech I made on the floor 3 weeks ago, I made the statement that it was time for Republicans and Democrats to put the elephants and the donkeys in the barn. It is time for us to find a way to find common ground, set aside those divided issues, and put on the table those issues which both of us know will help to solve the rapidly increasing price of energy and the long-term problems it portends.

Last Thursday, Senators BINGAMAN and DOMENICI brought to the Senate two renowned experts on economics and energy. They testified for over 4 hours in Dirksen room 50. About halfway through that testimony, Senator CONRAD of North Dakota posed the following question to both of them. He asked: Gentlemen, if you could, please tell me, where is it America has gone wrong? After pausing for a minute, the economist leaned back and said: For 25 years, the United States has encouraged consumption and discouraged production. We should be encouraging production and discouraging consumption.

The lightbulb went off in my mind. He is exactly right. The policies of this Congress, of our leadership, Republican and Democratic, have looked the other way. We looked the other way when we dodged the bullet of the Arab oil embargo in the 1970s. We forgot about the lines, the shortages, the caps. Somehow, we looked out to another day to solve the problem.

That other day has come. I suggest to you there are multiple things we all agree upon, if we will put our partisanship aside and do it. I encourage the majority leader to allow, when we get to cloture, all amendments to be offered and debate to be open and free-flowing and for us to be willing to put all issues on the table.

Let me begin. S. 3268, the bill before us, deals with speculation. I have read through the bill. I want to commend two parts of it.

No. 1, I commend transparency. Most of us in this body are not familiar with speculation or the speculative markets or commodities. We all need a better education and more facts to get it, and the exchanges ought to have absolute transparency so we know what is going on all the time everywhere.

Secondly, I commend the portion on position limits. I learned the other day—and I believe this is an absolutely accurate statement—that all the users of commodities—airlines that buy futures in petroleum, cereal makers who buy futures in grain—all have position limits, meaning there are limits to which they can speculate.

But did you know who does not have a position limit? The investment bankers on Wall Street. The same people who brought us the subprime crisis by securitizing high-risk loans at high yield are the same people who, in some way or another, have no limit on the positions they can take or offer in the commodities market. I think the position limits ought to be equalized across the board, whether you are a user or a speculator or a Wall Street banker.

So those are both good positions. But that is the only thing the bill addresses—speculation—when there are so many other things we need to do. No. 1, on the production side, we do need to start exploring our own resources. It is true, it will take 10 years to get some of those resources to produce. But the very fact we finally make up our mind to do it will make it 1 day shorter each day we have made up our mind. If we put it off today, it is 10 years from tomorrow before we get the production. We ought to go ahead and get it.

Where we have significant differences—such as ANWR; we can debate that separately—but there are other issues where there should be no debate, either in the OCS or extracting the shale oil in Colorado, North Dakota, and Montana. Conservation, encouraging a savings—we ought to be working to do everything we can to encourage Americans to conserve.

Quite frankly, Americans have already gotten that message. For all the rapid transit, mass transit in my city of Atlanta, the buses are full, with standing room only. So is the subway. Ridership is way up. The traffic is much better because people are starting to find economical ways to travel. We ought to incentivize more and more of that.

We ought to incentivize conservation wherever we can. We also ought to look at those things such as nuclear energy. I know the Presiding Officer today has shared with me the common ground he and I have on a safe, reliable way to produce energy in nuclear. It does not pollute. It does not contribute carbon. It is proven to be reliable around the world.

Mr. President, 19 percent of our energy today comes from nuclear. In 20 years we could take it to 50 percent, and we could reduce our carbon footprint, while geopolitically we could have a tremendously positive effect on our country. Renewable sources of energy should be incentivized across the board, as biofuels should be the same way. We should not have selective encouragement in tax policy. We should have open encouragement on all research and development, whether it is synthetic, renewables, or biofuels.

In essence, I have simply come to the floor to say this: We all know precisely what the problem is. We all know there is not one answer. It is not just speculation. It is not just exploration. It is not just conservation. It is not just wind. It is not just solar. It is not just hybrid vehicles. It is not just plug-in cars. It is all of those things.

But the solution lies in the heart of a Senate that is willing to put its partisanship aside, address the No. 1 issue facing the people of the United States of America, and find a willingness and a heart to find common ground. Our country faces some significant challenges economically today, and whatever our differences may be politically, we should be united in finding common ground to solve those problems, and the biggest is the price of energy to the American family. It is impacting every single thing they do.

So I come to the floor today to welcome the ability to debate this legislation, to want to talk about dealing with speculation—but not speculation alone. We should not make ourselves feel good by passing one bill that deals with one issue and only one component part and go home and say we did something. We should take pride in taking all the facets we can agree on—whatever they might be—incorporating them in a bill, and leave here in August knowing we did something for the people who have sent us up here to represent them, the people of the United States of America.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. SANDERS). The Senator yields the floor.

The Senator from Minnesota.

Mr. COLEMAN. Mr. President, nothing—nothing—is more urgent, more important today, and nothing is of greater significance to the American people than dealing with our energy crisis. Gas is $4 a gallon. Every time you fill up, it is like getting a smack in the face. My constituents say they don't know what is going to get filled up first: their tank or their credit limit.

We have to cut to the chase. Americans are furious with Congress. They are not just angry about our inability to get something done, they are fearful that political leaders on both sides of the political aisle are more concerned about winning elections and partisan arguments than they are about protecting our Nation.

I am glad the leader has brought an energy speculation bill to the floor, and that is a piece of this issue. I will talk about that a little later. But we need a full-throttled debate. We have to put everything on the table. The American people expect us to do all we can, not take a piece and get involved in a political debate, and perhaps walk away with nothing being done and say we put it on the table. This is not about what you put on the table. This is about whether you are serious about dealing with this issue of understanding that, yes, we have to deal with more conservation; that, yes, we have to deal with new technologies to cut energy use; that, yes, we have to deal with speculation; that, yes, we have to deal with finding more energy and consuming less—all of it.

To simply address and pass a speculation bill alone to address the energy crisis would be like using a garden hose to put out a forest fire. The issue is that great, the challenge is that great, and the American people expect us to

deal with this in an honest way. If you disagree with whether we should do more exploration in the Outer Continental Shelf, then vote on it. But this is not something in which we can simply put something on the table and tell the American public we have dealt with it. They are smarter than that. They deserve better than that.

America is blessed with remarkable energy resources, but we have tied our hands behind our backs—keeping vast oil and gas deposits off limits in the Outer Continental Shelf, not to mention potential oil shale. Just consider: We currently have 85 percent of offshore acreage off limits—in the lower 48 States—to development and 100 percent of at least 800 billion barrels of recoverable oil from oil shale off limits. If we developed the entire OCS, we could see an additional perhaps 86 billion barrels of oil and 420 trillion cubic feet of natural gas.

The argument is made: Well, there are areas that are not being used today. Listen, I am a believer of if you don't use it, lose it. But where is the logic in saying we have production in areas that are producing oil today that may be closer to shore but still offshore, and somehow we have drawn this arbitrary line that says we can't go right next to it? Oil is not found in quadrants or areas. There are veins that run across. Americans expect us to do everything we can to take the pressure off so they can live their lives and enjoy their lives.

If we can push forward energy-saving technologies at our fingertips, we could see an immediate impact on prices. For one, Congress should accelerate the production of plug-in hybrid electric cars and trucks, which would dramatically reduce the cost of fueling vehicles for consumers and lower the demand for fuel.

We should expand tax incentives to produce and purchase vehicles running on alternative energy and fuel cell technology. There are lots of options out there. We have to get serious about it.

Americans know we have tremendous energy resources, and when many cannot afford to drive to work, it infuriates folks if Congress refuses to use those resources. Many share the frustrations of a Minneapolis man who wrote:

> We need energy independence. Why should we be paying for our energy from the very countries that want to kill us? DRILL domestically now! We have vast resources of our own that should be tapped.

From southern Minnesota, a man expressing his anger at Congress's inaction asks:

> How much economic pain must Americans suffer before Congress changes course? Gasoline prices are at $4.00 a gallon and rising. . . . It is time to do something different. Most Americans want energy independence.

Or at least not to be held hostage. That is what this is about.

> They want to create new jobs here in America. We should do that with new technology by boosting domestic energy supplies so we can lower the price of gas and reduce our dependence on foreign oil.

Americans get it. They understand that with $4 a gallon gasoline, we need a comprehensive energy plan, and we need it yesterday. The great news is we not only have the capability to produce more and use less, the natural and technical resources to solve this energy crisis, but I also believe there is enough room for compromise. There are Democrats and Republicans working together, Democrats who understand we need to find more energy and bring it to the surface, use it.

We have to figure out a way to get past this divide, this idea that if we put it on the table and we have generated a debate, somehow we have done something, because we have not. There is not a full-throttled, honest effort to deal with this problem unless we put it on the table, have the debate, and we come to some conclusion. The answer is not complicated: Find more, consume less. You have to do both. There are folks working on plans right now.

We can authorize deepwater drilling in America's Outer Continental Shelf. By the way, plow the Government revenues from the OCS into a fund to fully fund renewable energy, fully fund energy efficiency programs, fully fund some of the programs that I know the Presiding Officer is concerned about—low-income heating assistance. Folks are going to be impacted this winter when the price of natural gas goes through the roof and the price of home heating oil goes through the roof. If we have the opportunity to bring in resources to fund those things, it is a win-win for everybody.

We need to allow exploration of ways to tap into America's vast oil shale deposits. We need to expand electricity generation from new nuclear plants. It is not enough to say: Let's wait until we figure out what to do with the waste. I always tell folks, the French are not braver than we are. Whether it is 75 percent or 85 percent of their energy that comes from nuclear energy, they reprocess the waste. If you say we are going to wait to solve the problem, it means you are not for expanding the use of nuclear energy, and that is a mistake.

We need to do it all. We need to fund technological breakthroughs in battery technology to bring plug-in cars and trucks to the market. We need to prevent energy futures speculation from artificially inflating prices.

One thing stands in the way of doing what the American people sent us to accomplish, and that is political gamesmanship.

A woman in rural Minnesota with a 9-year-old son and struggling with a 67-mile commute summed up a lot of the frustration out there when she wrote to me:

> I am sick of the lame excuses I hear from all of you. I would really appreciate it if you could stop politicking and do something before the people of this Country get more desperate. This is your job, this is what you were elected by the people to do.

She is right. This is what we were elected to do.

The majority leader has called up a bill focused on speculation in the energy commodity markets, which is certainly one of the areas we should act on. As former chairman and current ranking member of the Permanent Subcommittee on Investigations, I have worked with my friend and colleague Senator CARL LEVIN on this issue of market manipulation and excessive speculation in the commodity markets for years. I am proud of the work we did to close the Enron loophole as part of the farm bill. I, along with many others in the Senate, have been looking into the effect of increased speculation in the commodity markets on the price of oil.

I hope the majority leader will allow speculation amendments so we can consider other approaches to dealing with speculation, such as a proposal recently introduced by Senator LEVIN and Senator FEINSTEIN that I have cosponsored. But what we need is an amendment process that allows production and efficiency amendments to also be considered.

We keep hearing about this concept: If we do what we did with landing a man on the Moon, by the end of the decade we can get this done. If you reflect, at that time the Russians put Sputnik in space first. It was a blow to the American ego. When President Kennedy set forth his vision: We will land a man on the Moon by the end of the decade, we did not have computer technology to get to the Moon, never mind to get back. But Americans came together with a vision and a plan and a resolve.

I suggest that you did not land a man on the Moon with a single-stage rocket that went halfway there. You have to get to the moon, and you have to get back. You did not land a man on the Moon—or you are not going to end the challenge we have now to do something about the price of oil if you say no to new exploration, if you say no to new expanded nuclear production, if you say no to oil shale exploration. You cannot be saying no to new opportunities and then, in the same breath, say: We need a man-on-the-Moon commitment. We need a commitment that is real, that is across the board. Put it all on the table, and then make some decisions.

We hear the argument that says: Well, if we move forward with new production, some of it is not going to take effect for 10 years. When I was mayor of St. Paul, I took over a city in which we abandoned the areas along the shores of the Mississippi, what I called the retreat of the industrial wasteland. We had industries there, and they stepped back, and it was barren. So when I talked to folks about planting trees, they would always say—I remember this because it rings true today—the best time to plant trees was

20 years ago, 10 years ago. The second best time is now. The best time to have done the exploration was 10 years ago. The second best time is now.

My friends who will come to St. Paul this year for the Republican National Convention will see tens of thousands of trees that are in full bloom because we planted them when I was mayor more than 10 years ago.

Energy is the same way. It sure would have been better to open up deepwater drilling 10 years ago, but that does not mean we should not start now, or else we condemn Senators in 2018 to rehearsing and rehashing this same debate.

I wish to share one last letter from a constituent who wants us to get beyond the partisanship and get to work. Dan writes:

> I am a middle class Minnesotan and have become very concerned over the last several years about our elected leadership in the Congress. Are they working for the people of this country or the political parties they belong to? Now is the time to address energy issues, not after the fall election. It is time to open up areas in America to exploration.

Finally, he goes on to ask:

> Do you think the founding fathers of this country would be proud of the political process today?

I think this is exactly what we should be asking ourselves. If ever there were a moment for us to come together as a nation to protect and preserve our freedom and our liberty, as our Founders did more than 200 years ago, that moment is right now.

We recently celebrated our Nation's day of independence. As I traveled to Minnesota, I found no signs of retreat or fear about America's ability to meet this energy crisis head on. They were certain we can reach energy independence, that we can stop being held hostage by thugs, tyrants, Saudi sheiks, Ahmadi Nejad, Chavez, and others. Yet they were uncertain Congress would be able to summon the courage and conviction necessary to set this Nation on a new path.

We must act on a comprehensive energy bill before the August recess, and there is no better time to do it than now. Let us do the job we were sent here to do.

In 1994, Members of Congress worked into the August recess to pass a crime prevention bill. If we cannot pass a comprehensive energy bill with solutions big enough to match the size of this crisis before the August recess, then I don't think we should leave for the recess until we do.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. MENENDEZ. Mr. President, here is the situation we find ourselves in with respect to oil. Global supplies are tight, global demand keeps rising, and our country has a dangerous dependence we haven't yet begun to break. Meanwhile, the Bush administration has run up massive budget deficits, instigated by war in Iraq that is costing us $5,000 per second, tax cuts for the wealthiest Americans that could cost more than $4 trillion before the next decade is out, and that has caused the value of the dollar to drop and investors to buy more commodities, such as oil.

The oil futures market used to be primarily a place for companies to pay in advance for oil supplies they knew they would need. But now the futures market is overcome with runaway speculation, with people buying futures because they are betting the price will go up. Some experts say speculation is adding as much as 50 percent to the cost of every barrel. With oil prices this high, oil companies are raking in record profits—sums of money that are bigger than the GDP of some countries.

But instead of reinvesting that money in their business and in renewable energy possibilities, and expanding production to meet our country's growing needs, oil companies are investing in their own share price by buying back their own stock. That may be good news for Wall Street, but it is bad news for anyone struggling to pay to fill up their gas tanks.

That is how we have gotten to $140 a barrel oil—tight supply, high dependency and demand, a Bush budget deficit that is weakening the dollar—oil is traded in dollars—speculation in the market, and the oil companies' greater concern for boosting their share price than for boosting production.

Some of my colleagues on the other side of the aisle have suggested all it would take to bring down oil prices would be to allow oil companies to drill off the east and west coasts of the United States. Here is the problem with that: The companies already have, as we have said before on the floor, 68 million acres of Federal land under lease that they are largely not exploiting. The Federal Government will be opening 2.3 million additional acres to them in October, and they have over 200 million more acres they don't lease, but they could if they wanted to. The oil companies clearly think there is oil on all those millions of acres or else they would not be leasing the land. But they are not using it.

To get an idea of the scale that is involved, here is a map showing how much territory the oil companies control in the Gulf of Mexico. The red area represents all of those unused acres. It is a huge portion of the gulf region that is going completely undeveloped, and that has been available to them already. Yet all of those red areas go undeveloped.

Here is an even more impressive map—the map of how much of the western United States oil companies control. The black portions show where oil companies are exploring and, again, the red section shows where they are not exploring. As you can see, it is overwhelmingly staggering, all of those red sections of places where they already have the ability to pursue, which they are simply not pursuing.

The oil companies control an enormous amount of land. When you add it all up, it is an area more than 12 times the size of my home State of New Jersey. So why would signing over yet more land to them have any effect at all?

It is not that companies don't have enough land to drill on. That is not the bottleneck. The bottleneck is that, for 20 years, oil companies have been underinvesting in oil exploration and in the infrastructure, the equipment, and even the engineers needed to do additional drilling.

Here is what the CEO of the American Petroleum Institute—the trade organization representing all of these companies—said last month:

> Every single available drilling rig, drill ship is in use—being used right now. You can't go and drill when you don't have equipment. We are not magicians as an industry.

So all of this clamor for more land doesn't do anything about that reality. For all of this land, this water, the rights, all of these land rights—all of that doesn't even deal with that. If we give them even 1 more acre, what would it mean?

That is part of why it would take so long—as long as a decade—to get to the first drop of oil from the Outer Continental Shelf. Even if we wanted to, if we thought it were good policy—which I do not—the capacity isn't there.

There is a reason they don't have the equipment to drill more: They are not reinvesting in their own businesses. They are only investing in their own stock. Last year, ExxonMobil spent about $21 billion in capital expenditures, such as buying new equipment, compared to more than $35 billion it gave to its stockholders.

What we see here in this chart is, in fact, billions of dollars of big oil stock buybacks. You can see that from 2002 to 2007, it has increased over five times what it was 6 years ago. So the reality is we have a lot of money from big oil going back into big oil stocks, raising the value of these stocks, but doing nothing about what the CEO of the American Petroleum Institute talked about.

In the first quarter of this year, with oil prices sky high, ExxonMobil decided to spend almost $9 billion on stock buybacks alone—$9 billion in the first quarter. They spent almost a full 40-percent less on actually exploring for oil. The situation is more extreme at ConocoPhillips, which told its investors that its stock buybacks this quarter will come to about $2.5 billion or nine times its budget for exploration.

On the whole, the five biggest international oil companies used more than half of the cash they made from their businesses in stock buybacks and dividends last year, up from only 1 percent in the early 1990s.

An expert at Rice University who studies how oil companies spend their money summed it up very well. She said:

> If you're not spending your money finding and developing new oil, then there's no new oil.

There is a very simple economic reality here: While families are struggling to make ends meet, the oil companies are flush with cash. We have seen big oil profits steadily increasing under this administration, from approximately $22 billion or so in 2002 to nearly $120 billion in 2007. That is about $100 billion more.

There is a simple economic reality here. Families are struggling to make ends meet, but the oil companies are flush with cash. Instead of investing in the new equipment they say they need to pursue the lands they want, they are giving themselves a big payback and plowing their cash back into their own stocks.

At some point, oil companies need to recognize they have been trusted to manage natural resources from public lands, and there are times when they have a responsibility greater than boosting their bottom line. With gas and food prices through the roof, and the economy sputtering, we arrived at that point long ago. So when people say, ''We need to drill more,'' I say, tell it to the oil companies. Tell them to use their profits to invest in more equipment and drill in the 68 million acres they already have leased.

Basically, when oil companies say that giving them more acreage would increase the amount of oil they produce, it is like saying, if your car is about to run out of gas, you need to pull over and install a bigger tank. The problem in that situation isn't the size of the tank, and the problem we face right now isn't that oil companies don't have enough land to drill on. The problem is they are not drilling on what they have. Not to mention, even if offshore drilling produced every drop optimists are talking about, it would not even be close enough to affect gas prices one way or another. Even President Bush's own Energy Information Administration admits that all we are talking about is a drop in the bucket that will have no effect whatsoever on the price at the pump.

Let me put offshore production into perspective. What our colleagues say is the panacea, the solution to everything, is misleading. The way they say this, you would think if we drill tomorrow, open up new land around our Outer Continental Shelf, guess what spurts right up? Let this happen tomorrow and you will get gasoline in your tank for a lot less.

I think the American public understands this much better than that. It understands it takes a decade before we see the first drop, and it understands it takes until 2030. Let's talk about needing relief now, not in 2030. Even then, what do we get?

Since April, Americans have responded to record high gas prices by using over 800,000 barrels a day less—800,000 barrels a day less than we did 1 year ago. This is the most significant and sudden drop in oil demand since the 1970s.

What has happened—notwithstanding the fact that we have reduced demand by 800,000 barrels a day—is that since April we have continued to see record gas prices—prices going up. In recent weeks, Saudi Arabia has increased their production by 500,000 barrels every day. What happened? Gas prices continued to go up.

So how is it that if we had 800,000 barrels a day in reduced demand—gas prices went up—and 500,000 barrels a day in new production by Saudi Arabia—a combination of 1.3 million barrels a day—how does the Bush-McCain drilling plan compare to these recent events wherein prices have gone up, notwithstanding that shift of 1.3 million barrels a day?

If we open all our shores and risk all our tourism, fishing industries, and all the economies of all the coastal States to oil production, the first drop of oil wouldn't be seen until the year 2017, and oil production would peak in the year 2030. What could we get in the year 2030? We would get 200,000 barrels a day. Well, my God, if a reduction of 800,000 barrels a day has done nothing and gas prices went up, if the Saudis are pumping out 500,000 new barrels a day and prices go up, how is it that getting 200,000 barrels a day in the year 2030 is going to reduce gas prices tomorrow? It is a sham being created by those who want another grab for their oil company friends, as we have seen over the last 7 years by the two oilmen in the White House.

To put that number another way, the amount of gas we could get from offshore drilling is equivalent to a few tablespoons per car per day. Together, an 800,000 barrels-per-day reduction in demand, an increase of 500,000 barrels per day of Saudi production equals that 1.3 million barrels-per-day shift in the market. Yet we still have record gas prices. So if this massive shift has no impact, it is clear the production of 200,000 barrels a day in the year 2030 will do absolutely nothing at all about gas prices today. It is simply wrong to think that opening offshore drilling will lower gas prices.

So one might ask: Why are oil companies asking us to hand over more land when they already have so much that is unused? It seems to me there is only one explanation. Oil companies aren't actually in a rush to drill in those areas, but they are in a rush to control as much Federal land as possible before their friends in the Bush administration leave office. The oil companies' strategy right now is to grab control of as much Federal land and water as possible before January 20 of 2009, the date the next President of the United States takes office. They are trying to take advantage of the current energy crisis to take control of more public property and boost their profits. The GOP plan to open our shores to drilling isn't only about oil prices, believe me; it is about share prices. That plan comes with a serious pricetag: a vast increase in the risk to the health of our coasts and the economies they support.

Sometimes, if you go to the Archives building here in Washington, on its portal it says, ''What's past is prologue,'' and I would remind Americans of some of these facts. We were all told we had the most advanced tankers in the world and that they would prevent any spills from happening, but we all also, I hope, remember the devastation off the coast of Alaska after the crash of the *Exxon Valdez*. We all remember that after Hurricanes Katrina and Rita there was, yes, a human tragedy and there was also an economic tragedy. There was an environmental tragedy off the gulf coast. I have read comments by some who say: Oh, nothing happened. Look at that. The infrastructure and the technology is so advanced, we didn't get one drop of spillage after Hurricanes Katrina and Rita. Wrong. False. Seven hundred thousand gallons of oil spilled into the Gulf of Mexico, and over 7 million gallons of oil leaked offshore from the infrastructure that supports offshore drilling.

Now, here is a picture. This is not my picture; this is a picture from the U.S. Coast Guard. What did they do to try to deal with the oil that leaked? They burned it to try to dissipate it. If I saw this off the New Jersey shore or in North Carolina or Florida or California or Oregon or Washington, I would say that is a major disaster. Yet we have colleagues who say not a drop—not a drop—spilled. False. Wrong. Not true.

Between commercial fishing, sport fishing, forestry, and tourism, drilling would pose a threat to coastal economies that are over $200 billion a year. That is how much our coastal economies generate along the east and west coasts—over $200 billion a year. That is part of what led President Bush's father to declare, when he was President, when he put in place the moratorium on offshore drilling, that:

> Certain areas of our coast represent unique natural resources. In those areas, even the small risks posed by oil and gas development may be too great.

I don't consider this type of contamination a small risk, but even the first President Bush said: ''Even those risks posed by oil and gas development may be too great.''

Even what he considered small risks were too great. This is far beyond small risks. It is what led President Bush's brother, Jeb, the former Governor of Florida, to say: ''Protection of those resources is of paramount importance to the State of Florida.''

Now, those Bushes got it straight. They understood.

In my home State of New Jersey, we cannot escape those risks, when drilling would happen less than 100 miles off our shores. The New Jersey shore generates tens of billions of dollars in revenues each year, and it supports about a half a million jobs. We have already seen in the past the devastating economic effects of medical waste washing up on our beaches. New Jersey families and businesses cannot afford the risk of an oil slick on the scale of

the *Exxon Valdez* crash or the spills after Hurricanes Katrina and Rita, with sticky crude forcing beaches to close, killing wildlife, collapsing property values, and destroying our economy in the process.

We need real barrels coming out of the ground, not paper barrels filling nothing but big oils' balance sheets. It is time to take action to shore up our energy security and drive down the price of gasoline.

First, we need to take action to lower gas prices now. The Federal Government should release oil from the Strategic Petroleum Reserve to provide immediate relief. We can have a swap where we can take the light crude—we can actually, in fact, make money on this—and get the type of crude we need and, at the same time, help try to affect the price by having that immediate surge of oil into the marketplace.

In addition, I have joined with Senators FEINGOLD and DODD to introduce the Responsible Federal Oil and Gas Lease Act, which requires oil companies to show they are either producing oil or gas on public lands or making progress exploring or developing them on current leases before they get their hands on more land, when they are not even producing on that which they have.

We have also introduced the Responsible Ownership of Public Land Act, along with Senator DURBIN. The bill would charge oil companies a fee for every acre of land they lease but fail to use for production. The combination of these measures could give the oil companies the incentives they need to get barrels of oil off their balance sheets and into the marketplace.

In addition, I will be offering an amendment to make sure oil that is produced on land owned by the people of the United States gets used by the people of the United States. Right now, oil companies shift 1.5 million barrels per day of domestically produced oil overseas. So 1.5 million barrels a day produced in the lands and waters of the United States shift overseas. Last year, that meant over half a billion barrels of oil per year was taken from U.S. public lands and sent abroad. Now, we are talking about using the Outer Continental Shelf and getting 200,000 barrels in the year 2030, while we have been sending over 1.5 million barrels a day to other places in the world—oil that comes from public lands.

If we are going to endanger our own environment and deplete our own resources, certainly we should be the ones who benefit from it. Not that I believe that should be the case, but in terms of taking a risk for our own lands and public resources—certainly not to drill off the coast, but to the extent that we have drilling going on now and we have land they are not drilling on, that ultimate production should be used here in the United States. Over half a billion barrels are sent abroad. We need to bring medium- and long-term relief so an energy crisis such as this does not happen again.

That moves us to the ultimate goal. This country should be far more aspirational in its view of this issue. We should approve the renewable energy tax extensions bill, which our colleagues on the Republican side have opposed, that would help continue the rapid growth of wind and solar and provide an incentive for the purchase of plug-in hybrid vehicles. This will help us begin the transition to new energy sources so we are not so vulnerable to the rising costs of fossil fuels, not to mention what it does to our environment and global warming.

We should clamp down on rampant oil speculation and burst the speculative bubble that has caused oil prices to skyrocket.

We should be acting now on global climate change legislation that lays out the framework to completely change our economy from one that is based on oil and other fossil fuels to an economy based on renewable energy.

That is a real plan, not just a plan to go out in search of our next oil fix.

Increasing the share of oil we produce here at home is important, and we should make sure there are incentives for oil companies to produce, but authorizing drilling in the Outer Continental Shelf would just be a distraction and would do nothing to bring down gas prices, now or ever.

Drivers are calling out for us to bring down gas prices, not to prop up oil companies' stock prices. Our Government needs to stop holding the oil companies' hand and start holding them accountable. American families and businesses deserve a government that works for them, not just for the people who sell us our oil.

A mother can't fill the family car with the predictions in oil companies' annual reports. A business can't ship its products with so-called likely reserves. What makes the engine of our economy run today is what comes out of the ground, not what is written on paper. What will make our economy run tomorrow is our ability to transition beyond this addiction.

Making a major commitment to create the economy of the future, free from the liquid shackles of oil, would send a clear message to the world that America is ready to lead again. That is the message we should be sending.

We have to ask ourselves: Since when have we been a country that is afraid of a challenge? Since when have we waited for others to innovate, waited for others to rescue us from the dangers we face, waited for other nations to take the lead?

When we entered the Second World War, our allies knew we were in it with our hearts and souls. When President Kennedy announced we would go to the Moon, friend and foe alike knew we would not rest until we had allowed mankind to take that giant step.

I refuse to believe a country responsible for the light bulb, the telephone, and the computer can't decide to become a country powered by wind turbines, solar cells, and geothermal plants. There is no reason we can't decide to move toward powering our Nation with innovative, clean energy, especially since we have the technology to get started.

Two Americans were the first to fly. As one engineer said at the time: ''The Wright brothers flew right through the smokescreen of impossibility.''

It is time we showed we believe that ending this energy crisis is incredibly possible.

If we want to bring down the sky-high price of oil, stop shipping our money overseas in exchange for foreign oil and make our economy soar again. It is time we did everything we can to get a real program for energy independence off the ground. That is our real challenge. That is our real opportunity. That should be our real mission.

I close once again by saying that this comment about offshore drilling, that it is the way we are going to solve all our problems—800,000-barrel reduction in demand, prices went up; 500,000 barrels more production by the Saudis, gas prices went up; 1.3 million barrels and change, prices went up; 68 million acres of land the oil companies have they don't use, that is another reason prices go up—restrict the demand.

The bottom line is, let's move forward in a way that meets our challenge not only today but tomorrow. We are a country that can do. We are a country of infinite possibilities. It is time to go beyond the shortsighted, narrow view that, in fact, we must risk all of our coastal economies, $200 billion a year, for something that won't produce one drop of oil for a decade, won't receive full production until 2030, and won't do anything now or in the future about reducing gas prices but will ultimately say to future generations of Americans that we, in the expediency of the moment, were willing to risk not only those economies but the natural resources of this country for something that would do absolutely nothing about gas prices.

We can do better than that. That is what this debate is all about, and that is the opportunity we have.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I know we are all under confined time. I have a lot more to say than time will allow. I just listened to these remarks, and I wonder, why do people think the American people are so dumb they don't understand supply and demand?

A couple weeks ago—and no one can ever accuse the Washington Post of being partial to conservatives or Republicans, but they came out with an editorial, and they said: Why do Members of Congress think they can repeal the law of supply and demand? You can say it all you want, but we have to have more supply.

Ever since the 1995 veto of the bill that would allow us to go offshore to increase our supply, go to ANWR, go to oil shale, the Democrats have voted against increasing supply since that time. That was the middle nineties, and now we are paying for it. I can remember coming to the floor of the Senate back then when President Clinton vetoed the bill that would allow us to increase our supply and saying the day is coming when we are going to be sorry we did this.

I am very proud that the other day President Bush called for action by Congress in four areas. One is the Outer Continental Shelf, about which we have been talking. The others are ANWR and America's oil shale.

To give an idea of the capacity, this is called supply. We know what our demand is; everyone is demanding. This is supply. We called for it. We can have all the supply in the world, but if we don't have the refining capacity, we are not going to be able to use it.

We had the Gas Price Act. I thought that was one that would offset any kind of objection to the idea that we should be refining in this country. It was using some of these closed military places, along with EDA grants, to allow them to have refineries in America. We don't have the refining capacity in America, and we need to have it. We need to have the supply, and we need to have the capacity to refine the oil.

Polling—and I think the Democrats should be looking at this—is not where it used to be. The recent polling data from Rasmussen showed that 67 percent of the voters support offshore drilling. Only 18 percent oppose it. The same poll also found that 64 percent believe that if offshore drilling is allowed, gas prices will go down. And they will. There have been several editorials which we have made part of the RECORD which have shown the market response when things such as this happen. When we open capacity, the market will respond.

Another poll found that 81 percent of Americans support greater use of domestic energy resources. By a margin of more than four to one, Americans surveyed supported the United States tapping into its own domestic energy reserves. We are the only country in the world that does not tap our own reserves.

With regard to offshore, I listened to the arguments, which are really kind of ludicrous. When you stop and realize that offshore we have the capacity of 14 billion new barrels, and people come down and say—I heard the assistant majority leader say a few minutes ago that there are 68 million acres out there that are not being explored, not being produced, not being drilled at this time. There is a very good reason for that—because there is no oil on them. Oil isn't everywhere, but where you know it is, you need to go after it. So 85 percent of the land where there is an opportunity to bring oil in, the Democrats won't let us explore it. It is something I think the American people understand and understand very clearly.

ANWR is another area. It contains 10 billion barrels—back at the time President Clinton vetoed the bill—that would be coming through the pipeline today in resolving these problems we have.

Rocky Mountain oil shale—that is the big one. That is the one that has 2 trillion barrels. Right now, they cannot go after them, they cannot continue technology, they cannot explore for that, they cannot produce it because the Democrats have a moratorium. Yet, if you go to the States where this is located—Colorado, Utah, the Western States—they all want to do it. It would be great for the economy, it would be great for America, and it would not take any time at all to get this done.

Imports. Opening the Nation's access to reserves on the Outer Continental Shelf, ANWR and oil shale would cut our Nation's trade deficit in half. We have recently been watching T. Boone Pickens, and we should listen to him. He talks about some things we can do with wind energy, but he talks about natural gas, and that is a partial solution to the problem. I have a bill that would allow compressed natural gas to be fully utilized. Right now, there are some obstacles with the EPA and others, but I agree with T. Boone Pickens; that if we pass this bill, we will be able to utilize that. As he said, we need to continue to produce, continue to explore, because we cannot run the greatest machine in the history of mankind on solar and wind power right now. We hope that day comes, but it is not here.

We could cut our trade deficit nearly in half. According to the Energy Information Administration, the United States spent more than $327 billion to import oil in 2007. That is roughly half of the $711 billion trade deficit we had last year. So not only will we get cheaper gas for Americans at the pump merely by increasing capacity, increasing the supply that is out there, but we also would do some great things in terms of our trade deficit situation.

Why should producing America's own resources be a partisan issue? It shouldn't. But the Democrats in Congress refuse to increase the supply of energy, and the gas prices keep rising. We have seen recently that all we have to do is open that and the markets will immediately respond. I feel this is going to happen. I cannot imagine that the polling is going to get much more favorable than it is today.

There is one State—I won't mention which State it is because it is considered to be pretty much a liberal State—that 3 years ago, only 28 percent of the people in that State wanted to drill offshore and in ANWR. Today, it is 68 percent. It doesn't get much better than that.

I suggest, Mr. President, we get the Democrats to join us, increase the supply and resolve the problem, the energy crisis we have right now. The No. 1 problem in America—talk with my wife, talk to any State, they will tell you the No. 1 problem is the price of gas at the pumps. We can solve it with greater supply.

I yield the floor.

The PRESIDING OFFICER (Mr. WEBB). The Senator from New Hampshire.

Mr. SUNUNU. Mr. President, I rise to speak today on the topic of energy, a topic that is obviously consuming Members of both Chambers of Congress. It is something everyone in the country is focused on, and for good reason—gasoline at $4 a gallon and oil reaching $140 a barrel. Even in the heat of summer, people are concerned with how they are going to pay to heat their homes this winter.

We need a sound, balanced approach to energy. This approach certainly has not been any part of the debate we have had in Congress in recent months because all the discussion seems to center around the idea of speculation, which is something we need to address and should be concerned about, but rest assured, it is not the lion's share of the problem. We need to do more than just look at ways to appropriately regulate our financial markets.

If we look at the bill on the floor, it has fallen into that same trap. This is a bill which does not deal with conservation, it does not deal with alternative and renewable energy, it does not deal with energy research, it does not deal with electricity production, and it does not deal with new production of oil or natural gas or any other kind of energy.

I think people across the country look at a debate such as this and they scratch their heads: How can people seriously think they are going to have a positive impact on energy prices in the medium term or the long term if they are not really doing anything about either supply or demand? There is no question, we do need to continue to work to use less energy, save energy, and conserve energy. However, we also need to work to find more energy, develop new alternatives for energy production, and develop new reserves of energy at home. Those are the kinds of changes that will make a real difference in the long term, but they will also make a real difference in prices today because the energy futures market is just that—a prediction of what the price of energy will be in the future. If the markets, businesses, industry, and investors are convinced that there will be a concerted effort to do a better job saving energy—using less—and do a better job of producing energy—finding more—then those prices will, without question, come down. We need legislation that makes aggressive steps in all of these areas, and to think that we could just deal with one area one time with a very modest approach and have an impact is simply mistaken.

Regulation is important. Regulation is important because it ensures that the markets have integrity. Regulation ensures that investors, whether it is a pension fund or a mutual fund, or a farmer who is hedging prices for the potential of an increase in energy prices in the future, have confidence in the marketplace.

Any time we have a financial market, we want to make sure disclosure is appropriate. In the case of energy futures, we want to make sure we have appropriate position limits and information that is being shared across different platforms so that we understand what those positions are, what their volumes are, and what might be influencing pricing. We also want to make sure that we have information that might be important to bring to bear if there is a case of price manipulation, which is against the law and should be prosecuted to the fullest extent of the law.

The question is really whether what this bill addresses and only addresses—the idea of regulation in the markets—whether this bill as written would significantly affect price. I don't think it would have a significant impact, but I suggest you don't take my word for it. Let's look at what investors and financial experts and regulatory agencies have to say about the current problem.

Just in this past month, Warren Buffett, an intelligent investor, well known, candid, honest, certainly not a Republican, had this say:

> It's not speculation, it's supply and demand. We don't have excess capacity in the world anymore and that's why you are seeing oil prices increase.

The Chairman of the Commodity Futures Trading Commission says:

> We haven't found evidence that speculators are broadly driving these prices.

The International Energy Agency—not beholden in any way to American politicians or American investors on Wall Street or Main Street—says:

> There is little evidence that large investment flows into the futures market are causing an imbalance between supply and demand and therefore contributing to high oil prices.

Chairman Ben Bernanke, testifying before Congress, said:

> If financial speculation were pushing oil prices above the level consistent with the fundamentals of supply and demand, we would expect inventories of crude oil to increase. But, in fact, available data on oil inventories show notable declines over the past year.

These individuals and organizations are not political in nature. They share the same goal a good legislator would have, or anyone in America, to try to bring down prices. They recognize that simply adding new regulations to the futures market is not going to have a significant effect on the fundamental problem of supply and demand.

So the question is: How do we have an impact? How do we enact legislation today that will have an effect on energy prices, not just in the near term but in the long term as well? Well, we need a little more substance, don't we? And I think that starts with conservation—the idea of using less energy.

It is important to note this is one area where this Congress has taken a positive step, passing for the first time in 32 years an increase in fuel efficiency standards for cars and trucks, and raising that fuel efficiency requirement to 35 miles a gallon by the year 2020. That will make a difference, and we need to work to make sure that is fully implemented.

But we have already seen, if we look back over the last few decades, the impact that conservation can have, because today our economy uses over 30 percent less energy to produce a dollar of goods or services than we required 30 years ago. Legislation such as the conservation measure I described and was pleased to support, will help keep us on track to improve conservation.

Second, clean renewable energy. Again, this pending legislation does nothing to encourage alternative, renewable energy, and yet we have legislation that the Senate previously considered that has strong bipartisan support that would expand the incentives for wind, solar, geothermal, biomass, and high-performance wood-burning systems. We have that legislation. It has passed the Senate 88 to 8. It extends the production credits. And it is good for the environment, of course, as we all know renewable energy is. In New Hampshire, where we have a strong history of sustainable forestry, incentives for high-performance wood-burning systems are good for the local economy, and it plays a real part in reducing our dependence on energy imports.

So we have conservation and we have renewable energy, but with oil reaching $140 a barrel, it is not realistic to think we can reduce our energy imports if we don't produce more here at home. We need domestic production of oil and domestic production of gas, in addition to these clean renewables and conservation initiatives.

One of the previous speakers talked about 10 to 15 billion barrels of oil in the northernmost part of Alaska, billions of barrels of equivalent reserves on the Outer Continental Shelf, deep offshore. And most importantly, today we have the technology to take advantage of these reserves in a way that is more efficient than ever before, and in a way that protects the integrity of the environment better than ever before. The time is now to employ this technology, to unlock this opportunity, and in doing so to have a real impact on the cost of energy in the United States and around the world.

The same individuals who are opposing these initiatives today opposed them 5 years ago, 10 years ago, and 20 years ago. Unfortunately, we didn't take action 5 years ago or 10 years ago, and now they say: Well, if you allow additional production deep offshore, it will take some time to take advantage of those reserves. Of course it will take time. Everything takes time. It takes time to build a new wind farm. It takes time to construct a new nuclear powerplant. It takes time to have the conservation proposals I talked about earlier reach their full impact. But that is all the more reason to start acting today.

Without question, an American commitment to take better advantage of resources here at home will have an impact on the predicted cost of energy out in the future. It will bring down the cost of energy today.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SUNUNU. Mr. President, I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SUNUNU. Mr. President, conservation, clean renewable energy, and production—this is a balanced approach, and it is the only approach that will attack on all fronts and ensure that we bring down the cost of energy for all Americans.

A final point I want to make is that even as we act in these areas, there is one other area we need to act on, and that is helping those who don't have the financial means to work through the coming winter months and the high cost of energy. Senator GREGG, who is now on the floor, has introduced legislation to double funding for the Low Income Heating Assistance Program, and to do so in a way that is fully paid for. I am proud to cosponsor that legislation, and it is legislation that should also be included in this final energy package.

We need an opportunity to offer amendments on renewables, on low-income heating assistance, on production, in order to make this a meaningful energy package that makes a difference for all the people in the country by bringing down those energy costs we see every day at the pump and across the country.

Mr. President, I thank you for the time, and I look forward to the opportunity to offer amendments, which I hope will be supported aggressively on the floor.

The PRESIDING OFFICER. The senior Senator from New Hampshire.

Mr. GREGG. Mr. President, I first congratulate Senator SUNUNU, my colleague and friend from New Hampshire, for his excellent statement, and I agree with everything he said, especially the part about cosponsoring the bill I introduced. But Senator SUNUNU brings a unique perspective to this issue because he is the only engineer in the body, having graduated from MIT, and he understands the physics and the chemistry and the technology issues of getting more production. Thus when he speaks on those issues, we all need to listen.

I rise, as he and many of my colleagues do today, to ask about why we aren't taking up a more in-depth energy bill than just one that deals with

speculation—and speculation being at the margin of the problem, according to the leading experts on this.

When I was home this weekend, I filled up my wife's car and it cost almost $70. Now that is what you call painful. The people in New Hampshire and across this country, when they pull into that gas station, are asking themselves whether they can afford the price of this gas. People in the Northeast and in the colder parts of this country are worried about what is going to happen this winter when the price of home heating oil has to be met. It is a scary time, and we, as a Congress, have a responsibility to do something about that.

It doesn't take a lot of expertise to know there are two ways you can address this problem: You can produce more energy—hopefully American energy—and you can consume less energy through conservation. This bill that has come to the floor here today basically does neither. It doesn't produce more and it doesn't conserve more. It simply attacks speculators, who, according to most of the experts, haven't been the major problem in this runup in the area of the cost of energy.

The problem is pretty obvious. There are 2.5 billion people between China and India who are starting to use significant amounts of energy as they move into a better lifestyle. That has created massive new demand, and supply has not gone up because there has been no significant increase in supply across the world, especially supply here in the United States. So the price has gone up and gone up dramatically.

The solution isn't, as has been proposed from the other side of the aisle, to not export American energy any longer, which would give us half a day of savings in oil; or to go into the Strategic Oil Reserve and use that all up, which will give us 3.5 days of additional oil. The solution is to look for major new production sources in the United States, as well as conservation initiatives.

For example, if we use oil shale, we have, between 3 States—Utah, Colorado and Wyoming—2 trillion barrels in reserves of oil shale, and it can be withdrawn from the ground in an environmentally safe way. What does that represent? That represents 40,000 days of oil that could be produced—American oil. It is only common sense that we should pursue American oil production, when we can do it in an environmentally safe way—which we can—and when it is sitting there. The American people understand that.

On the Outer Continental Shelf, we have billions of barrels of oil sitting there available, and we know we can produce it in an environmentally safe way. Why do we know that? Because we have had examples of it. Hurricane Katrina, a force 5 hurricane, came right up the Gulf of Mexico and destroyed one of our greatest cities. It was a horrific event. But one thing that didn't happen as a result of Hurricane Katrina was that we did not lose a barrel of oil from the production sites, from the drilling sites in the Gulf of Mexico. So we have proof beyond doubt that oil can be extracted in a safe way, and we should be extracting it.

Why should we be sending billions of dollars annually overseas to governments and individuals who have no use for us—whether it is in Venezuela or Iran—when we can be buying American oil and producing American product here in the United States in a safe and environmentally sound way? It is common sense that these opportunities which sit there should be taken advantage of for the American people, and that we conserve more and we create more renewables.

Yet when a bill comes to the floor which is supposed to involve the major energy debate of this Congress, what happens? The other side of the aisle says they are only going to allow one issue to be discussed: speculation. They are not going to allow the issue of drilling on the Outer Continental Shelf, producing more American energy, to be discussed or voted on or policies to be pursued. They are not going to allow oil shale and the extraction of oil shale to be discussed or voted on or addressed in a way which will allow us to pursue that course of activity. There is no initiative that is going to be allowed to be brought to the floor and no amendment on the issue of expanding nuclear power, which is the cleanest form of energy we have and that doesn't create more environmental hazard in the way of greenhouse gases. All of those issues, which common sense tells you we should be addressing, are taken off the table. All that is wanted from the other side of the aisle is a political vote to give them cover in the next election.

Well, the American people aren't interested in cover for the election, they are not interested in the politics of the next election, they are interested in doing something that has an immediate and long-term effect on the price of energy and makes our Nation stronger.

Now, why does action in the area of production—which may, as the Senator from New Hampshire said, take 5, 10 years to bring on—have an immediate effect on the cost of energy? Because the price of a barrel of oil is based on what is the expected supply in the outyears. And if the international community knows America is going to step up and start producing energy, the price of the barrel of oil goes down.

The world community knows we are sitting on 2 trillion barrels of reserve in oil shale—three times the amount of oil Saudi Arabia has. If we say to the world we are going to access that oil, the price of oil will be affected significantly today, even though it may take a few years to get it on line. We are sitting, as I said, on billions of barrels of oil on the Outer Continental Shelf. If we say to the world we are going to use that oil, we are going to take advantage of that oil, the price of oil on the world market will adjust to reflect that.

And equally important, we will be keeping those dollars in the United States. These are hard-earned American dollars. People spend their weeks working hard to produce that income, and they want to have that income reinvested here in the United States. They do not want to send it to Iran or to Venezuela to be reinvested there. They want it to be reinvested here. And the way you reinvest here is to buy product here.

So we need to produce more, but most especially we need to have a debate on this floor which allows us to discuss these issues in a formal, constructive way so we can have amendments and people can decide what is the best policy, not shut off debate, as is being proposed. What is the fear that pervades the other side of the aisle that they are not willing to discuss the issue of the Outer Continental Shelf? I am willing to take on the issue from an environmental standpoint.

I think I have a pretty good environmental record. I am willing to defend the idea of going on the Outer Continental Shelf to produce energy from an environmental standpoint. I know it is good policy from the standpoint of production. The same is true of oil shale. The same is true of nuclear power.

Let's bring those issues forward here, put some policies in place that allow us to use those type of energy resources so we can reduce the cost to the American people of the price of their energy and also keep those dollars in the United States.

At the same time, we do need to pursue an aggressive course in conservation and in renewables. That is why I am supporting, along with Senator ENSIGN, Senator CANTWELL from Washington, a bill to reauthorize the renewable tax credits so energy sources such as wind and biomass can be aggressively used and effectively used.

Unfortunately, that bill has also been stopped on the floor of the Senate. It should not be. We should be pursuing that course of action as aggressively as we are pursuing alternatives which give us more production.

You know, my experience in Government is that when you confront an issue, and there is a commonsense solution to that issue, most people usually get it. I think most people, at least in New Hampshire, get it, that this issue of energy, which is so huge and so important to everybody's lives, especially as we head into the winter, requires an aggressive response in the area of more production and more conservation.

They also understand, and most people understand, you cannot produce more unless you actually go out and look for it. I mean it is common sense that you cannot produce more unless you look for it. The way you look for it is you look where it is. Where it is is in

the oil shale of the West and in the Outer Continental Shelf.

We have proven beyond any doubt that both of those resources can be used effectively and in an environmentally sound way. At the same time, we know that there are other sources of energy that are available to us, such as nuclear, and that there are ways to conserve, such as advancing the electric car and advancing other initiatives in the area of renewables.

So it is a degradation of our responsibility as a Congress, in my opinion, to not take up this issue and address it across the board; take on all the different elements of it so the American people have some confidence that we are actually moving forward and we are not simply trying to dot a political ''I'' for the next election or to cross a ''T'' for the next election so we can claim we did something here on one item of the overall problem.

This is a time to take some action. I certainly hope we do not leave, that this Congress does not recess without having done something constructive in this area and something that meets the commonsense test of the American people, which is we need to produce more American energy and we need to conserve more American energy.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. MURRAY. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Mr. President, I ask unanimous consent to speak as in morning business but for the time to count against the 30 hours.

The PRESIDING OFFICER. Without objection, it is so ordered.

VA HOTLINE

Mrs. MURRAY. Mr. President, we have had a very important debate today about energy which I spoke about earlier today. I come to the Senate floor this afternoon to talk about another issue that is also important; that is, to raise awareness about one of the most heartbreaking and alarming consequences of the wars in Iraq and Afghanistan.

In the 5 years since we invaded Iraq, we have seen a disturbing increase in the number of young men and women who are returning home, struggling with the psychological impact of the war and then, sadly, take their own lives. About 1,000 war veterans who are being treated by the VA attempt suicide each month. It is a problem that is affecting many communities across the country.

Earlier this month, we lost a young man in my home State of Washington, just hours after he went to the VA in Spokane to ask for care. He was, in fact, the sixth veteran in that community to take his own life this year. Currently, the Spokane VA is investigating all of those cases. I have spoken to Secretary Peake, and he has assured me his team is on the ground taking a hard look to see what went wrong and what they can learn from that case. But while I appreciate the work Secretary Peake and the Spokane VA are doing, the fact is this is a serious problem across the country.

Every suicide is a tragedy. Those young men and women are someone's son or daughter, someone's best friend, possibly someone's spouse or even a parent. Our hearts go out to all of those families and their friends. These deaths are an urgent reminder that we have to keep our eye on the ball. We owe it to all of our servicemembers and veterans to demand that the VA and the Department of Defense make it a national priority to bring those numbers down.

I acknowledge that the VA is taking steps to reach out to our veterans and their families to let them know that help is available. This week, in fact, the VA is rolling out a public service campaign in Washington, DC. It is part of a 3-month-long pilot program, and the VA is going to be running a series of ads on TV, on buses and trains, and on the subway. Those ads are going to highlight the VA's 24-hour suicide prevention hotline. The number for that is 1–800–273–TALK. It will help assure our veterans it is OK to ask for help. I truly applaud the VA for that effort because it is a good step. We have to absolutely get the word out to veterans and their families. If this helps prevent one tragedy, then it is more than worth it.

I applaud the VA. I hope the Defense Department will also publicize that number among its Active-Duty troops so when they leave the service, they will already be aware of it. But this is only a step. An ad campaign is only as good as the resources that are there when our servicemembers call and ask for help.

If we truly are going to make a difference, we need a much bigger effort. We have to do more to reach out. We have to do more to break down the barriers to those seeking mental health care. We need to back up those efforts with enough resources and money to ensure that when a veteran goes into the hospital asking for help, the VA offers the best care possible.

While I applaud the idea of publicizing the suicide prevention hotline, I believe the military and the VA must reach out long before our young men and women pick up that phone and call for help. That is going to take creativity and leadership.

The VA and the Defense Department can't keep doing things the way they have always done them because the wars in Iraq and Afghanistan are not like any we have fought before. Our All-Volunteer Force has been on the ground in these two countries for longer than we fought in World War II. Troops get very little downtime. Many of them are serving their third or fourth and sometimes fifth deployments. This is a stress that is taking a toll on everyone.

For many of them, it gets worse when they come home to the pressures of everyday life or financial strains or family problems. That is especially true for members of the National Guard and Reserves because, unlike Active-Duty troops who return from battle to go to a military base where there is a support network, many of our Guard and Reserve members go home right away to family pressures and to civilian jobs they need to start right away.

The military and the VA have to update their resources and outreach efforts to match the challenges our troops face when they return. That safety net has to be in place before they ever leave the military. That means we must have creative programs that help our servicemembers transition from that battlefield back to the home front. It means providing family and financial counseling to any servicemember who needs it, and it means developing a way for the military or the VA to follow up with our servicemembers, especially those who have already asked for help with psychological needs. We have to also encourage our servicemembers and veterans to seek care when they need it by breaking down the barriers that prevent them from asking for help.

The VA and the Defense Department have to take strong steps to change the military culture so that servicemembers no longer fear that seeking care will be viewed as some sign of weakness or one that could hurt their career. Even more important, servicemembers and veterans must be convinced if they ask for help, doctors and staff will take them seriously and provide the care they need.

I personally have heard too many tragic stories about veterans who have gone to the VA in distress, only to face a doctor who underestimated their symptoms and sent them home to an end in tragedy. When someone with a history of depression or PTSD or other psychological wounds walks into one of our VAs and says they are suicidal, it should set off alarm bells for everyone. We can't convince veterans or servicemembers to get care if they think they will be met with lectures and closed doors. That is simply unacceptable. At the very least, we have to ensure that staff at military and VA medical centers have the training to recognize and treat someone who is in real distress.

Finally, we have to provide the resources to back up all of these efforts, starting with making sure that the suicide prevention hotline is staffed with enough trained professionals to provide real help to someone in need. I hope that will be the case. Unfortunately, this administration has failed for 8 long years to make good on its promises and provide the resources for our veterans to carry them out. Time and

time again it has taken leaks and scandals to get the administration to own up to major problems at the VA—from inadequate budgets to rising suicide rates about which I am talking today. Its response to rising costs has been to underfund research and cut off services for some of our veterans. We have to do better than that. Servicemembers and veterans need more than an 800 number to call. They need psychiatrists and psychologists who understand the horrors of war and the stresses our troops feel.

We also have to make sure we have the facilities and systems set up to accommodate the troops who will be entering the VA system in the next decade. We have to fast-track research into the signature injuries of this war, such as traumatic brain injury or post-traumatic stress disorder, so we understand how to diagnose and treat those conditions. We need to speed up efforts that will enable the DOD and VA to share records so that fewer servicemembers slip through the cracks as they transition from Active Duty to veteran status. Now is the time to invest in research and infrastructure. We cannot afford to wait.

Many of us are familiar with the story of Joseph Dwyer, a young Army medic, made famous in a photo taken during the first week of the U.S. invasion of Iraq. In that photo, we have seen Joseph running toward safety with an injured Iraqi child in his arms. It is an epic image of bravery and compassion.

When he came home, Joseph struggled to fit back into civilian life. He suffered from PTSD and, tragically, earlier this year, he died of what police are treating as an accidental drug overdose. That photo of Joseph Dwyer captured the incredible work our troops are doing every single day. But, sadly, Joseph's story is also now an example of what far too many veterans face when they come home. The photo of Joseph was taken during the first week of this war. Now, more than 5 years later, we ought to have the resources in place to treat the psychological wounds of war as well as we do the physical ones. But we don't.

I ask my colleagues to put themselves in the shoes of a parent or spouse who has lost a child, a husband or a wife, or someone they know to suicide. I want them to think of all the questions they might be asking. We might not be able to provide all the answers, but we should at least be able to say we are doing everything we can to address the problem.

We know there are many dedicated, hard-working VA employees who spend countless hours providing our vets with the best treatment possible. We also have to recognize the system is still unprepared today for the influx of veterans coming home. As I have told my colleagues before, a recent RAND study shows that one in four veterans is struggling with PTSD. It is the duty of the VA and of a grateful nation to be prepared to care for their unique wounds. In order to do that, we need strong leadership and attention to detail in Washington, DC, in Spokane, WA, and everywhere in between.

At the end of day, this is not about bureaucracy. It is not about protecting turf. It is about saving lives. I am glad the administration plans to increase its outreach. It is a pilot program. It is only a small step. We have to make this a national priority to address this tragedy.

The administration has to back up its efforts by reaching out to our servicemembers, veterans, and their families. We have to break down the barriers that prevent our servicemembers and veterans from seeking and getting mental health care, and we have to provide adequate resources.

No matter how anyone feels about this war, our troops are heroes. They have done everything we have asked of them—and more. It is time our commitment measured up to theirs.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I rise today to express my sincere concern about the manner in which this body is considering energy-related legislation.

My constituents are interested in meaningful policy that will address the extremely high energy costs they are facing today. They know that in order to deliver real results, we must develop legislation designed to address the entire problem—supply, demand, and market oversight.

They are not interested in why one policy proposal is more worthy than another and therefore should be addressed before the other necessary elements of the solution, which is no doubt the debate we will be having today. We need to deal with increased supply from both traditional energy sources and next-generation sources, improve conservation of resources, and ensure greater market transparency and oversight.

I recognize that for meaningful, comprehensive legislation to pass, both Democrats and Republicans are going to need to work together, which means everyone will not get everything they want, and we will all have to accept a few things that do not necessarily appeal to our interests. But that is what it takes to forge a workable compromise. Democrats and Republicans need to come together and determine what we can agree to, rather than bringing legislation to the floor of the Senate that, frankly, is designed to offend one side or the other.

For this reason, I have sought to work with my colleagues on the other side of the aisle, and have found that many within this body want to develop a bipartisan proposal that will yield real results. Unfortunately, the bill before the Senate today seems more intended to divide the Senate rather than unite us in an effort to develop a meaningful solution.

As ranking member of the Senate Committee on Agriculture, Nutrition, and Forestry—the committee with jurisdiction over commodity futures trading—I have an obligation to ensure that legislation dealing with such matters is appropriately analyzed. Unfortunately, the committee of expertise did not have an opportunity to review this legislation before it was brought to the Senate floor, and for that reason many problems exist within this language.

When dealing with issues of such complexity, we cannot afford to ignore the potential unintended consequences that will surely result from this approach. What if we are wrong and we actually drive up the price of crude oil? What if we miscalculate the true burden we are placing on the over-the-counter market and such activities migrate to foreign markets? What if we reduce liquidity in the market so much that our physical market participants have limited hedging opportunities?

As I said, this issue is extremely complicated, and the factual data is lacking, which, unfortunately, allows everyone to paint the picture convenient for their own cause. I am sure you all have heard conflicting reports. For example, some claim that in recent years noncommercial participation, or speculation, in the oil markets has not changed when compared to the proportion of commercial participation by those who actually have a stake in the physical commodity, while others say that speculation in the oil markets has increased from 37 percent to 70 percent in recent years.

This is quite a discrepancy in the facts. The truth is that neither of these claims is proven completely accurate. Why? Because the category used to determine commercial participation includes swap dealers who actually trade on behalf of both commercial operators as well as speculators, and we simply do not have the data to verify which claim is accurate.

The Commodity Futures Trading Commission is now in the process of getting more segregated data from these swaps dealers to determine how much activity is truly speculative in nature. But data separated out in this manner is currently not available. We simply do not know yet how speculation participation may or may not have increased compared to participation by those we would consider physical market stakeholders.

I only mention this as an example of conflicting data upon which some of those proposed policy changes are predicated. I am not claiming that one side or the other is correct. But I do believe we need to have accurate data before we seek to make major modifications in the manner in which these futures markets operate.

I want to be perfectly clear about this: I am not opposed to all aspects of the bill before the Senate today. In fact, I believe many of the components designed to yield more transparency in

these markets are necessary and that they could be improved upon and enacted. We must ensure that the information both the regulators and Congress use to ensure proper oversight is accurate to warrant our actions.

However, this language goes far beyond what I consider reasonable, especially absent factually based data to support such radical changes and a thorough review of the potential unintended consequences. I truly believe that a reasonable market oversight component could be developed as part of a bipartisan, comprehensive package, but, unfortunately, this approach is only distracting us from developing more reasonable and balanced legislation.

I have in hand a letter from the U.S. Department of the Treasury, among others, dated July 21, 2008. It is a letter from what is referred to as the President's Working Group on Financial Markets. It is a group made up of the Secretary of the Treasury, the Chairman of the Securities and Exchange Commission, the Chairman of the Board of Governors of the Federal Reserve System, and the Acting Chairman of the Commodity Futures Trading Commission.

We requested that group—which is the group that is viewed in this town as the most expert group on issues related to the financial markets—we asked them to take a look at S. 3268, the bill before the Senate now, seeking to put more restrictions on speculators in the oil commodities market, and to see what they thought about the particular bill—not the issue of speculation, but the bill itself.

First of all, Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 21, 2008.

Hon. SAXBY CHAMBLISS,
*U.S. Senate,*
*Washington, DC.*

DEAR SENATOR CHAMBLISS: In response to your July 16 letter, we are providing the views of the President's Working Group on Financial Markets (PWG) concerning S. 3268—legislation addressing regulation of the U.S. energy futures markets.

The PWG is concerned that high commodity prices, including record oil prices, are putting a considerable strain on American families and businesses. Proper regulation of the energy futures markets is necessary to ensure that prices reflect economic factors, rather than manipulative forces. To this end, the PWG worked with Congress to enact, as part of this year's Farm Bill reauthorization, additional regulatory authorities for the CFTC to regulate certain over-the-counter (OTC) energy transactions on electronic exchanges. The PWG also supports the recent steps taken by the CFTC to improve the oversight and transparency of the energy futures markets.

The PWG agencies also are participating in an Interagency Task Force on Commodity Markets that will provide a staff report on the role of economic fundamentals and speculation in the commodity markets in the near future. If this staff report or the analysis of other data the CFTC has recently collected from commodity market participants suggests that changes to futures market regulation are necessary, the PWG stands ready to assist lawmakers in crafting such modifications.

However, the PWG believes that bill S. 3268, as introduced, would significantly harm U.S. energy markets without evidence that it would lower crude oil prices. Among its several provisions, it would require the CFTC to define and promote ''legitimate'' trading and significantly curtail other types of trading in the futures, OTC and overseas markets. Such unprecedented restrictions on market participation could reduce market liquidity, hinder the price discovery process, and limit the ability of market participants to manage and transfer risk. Provisions in the bill also may harm U.S. competitiveness by driving some trading to overseas markets or to more opaque trading systems at a time when policymakers are trying to encourage greater transparency. Should this legislation become law, the chances of significant unintended consequences in the markets would be high.

This legislation would regulate for the first time certain OTC transactions similarly to on-exchange transactions. It has been the long-held view of the PWG that bilateral, OTC derivatives transactions do not require the same degree of regulatory oversight as exchange-traded instruments because they do not raise the investor protection and manipulation concerns associated with exchange-traded instruments. Regulating these OTC instruments could prove costly and difficult to administer by both regulators and the industry given the size and nature of the market, might not provide meaningful regulatory data, and could negatively affect the ability of U.S. firms and markets to compete globally in these types of transactions.

To date, the PWG has not found valid evidence to suggest that high crude oil prices over the long term are a direct result of speculation or systematic market manipulation by traders. Rather, prices appear to be reflecting tight global supplies and the growing world demand for oil, particularly in emerging economies. As a result, Congress should proceed cautiously before drastically changing the regulation of the energy markets.

We look forward to working with Congress on these important energy market issues and appreciate your seeking our views.

Sincerely,

HENRY M. PAULSON, Jr.,
*Secretary of the Treasury.*

BEN S. BERNANKE,
*Chairman, Board of Governors of the Federal Reserve System.*

CHRISTOPHER COX,
*Chairman, Securities and Exchange Commission.*

WALTER L. LUKKEN,
*Acting Chairman, Commodity Futures Trading Commission.*

Mr. CHAMBLISS. I want to take a minute to read a couple of statements in the letter. The PWG refers to the bill, talks a little bit about what it will do, and then it says:

. . . the PWG believes that [the] bill S. 3268, as introduced, would significantly harm U.S. energy markets without evidence that it would lower crude oil prices.

It goes on to say:

To date, the PWG has not found valid evidence to suggest that high crude oil prices over the long term are a direct result of speculation or systematic market manipulation by traders. Rather, prices appear to be reflecting tight global supplies and the growing world demand for oil, particularly in emerging economies. As a result, Congress should proceed cautiously before drastically changing the regulation of the energy markets.

This mirrors exactly my concern about this particular piece of legislation. If we have a knee-jerk reaction to the issue of speculation in the markets, and we are wrong, what we are going to do is we are not only going to destroy the energy markets in this country, but we are going to take those legitimate operators, those legitimate investors in the energy markets, and we are going to drive them overseas. We are going to have no control whatsoever over their buying and selling of contracts, whether it be oil, and the next thing we know it will be other food products that are dealt with in the commodity world on a daily basis.

So I think we need to listen to the experts. We need to make sure we take the time to develop the right kind of policy, with the right kind of expert information, having input into the legislation, whatever it may be. At the right time, let's have a bill on the floor that encompasses not only the energy markets themselves and any type of additional restrictions or regulations we need to put there, particularly from a transparency standpoint, but also we need to deal with the overall issues of additional domestic exploration. We need to deal with the issue of conservation, whether it be through lessening the use of gasoline, diesel, or whatever.

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. CHAMBLISS. Plus, we need to make sure we are developing the right kinds of incentives in the automobile industry, as well as for consumers to encourage the manufacture and purchase of vehicles that are operated by alternative methods, whether it is electricity or natural gas, or whatever it may be.

So I urge we move cautiously, we not react too quickly, and we be very careful in our approach to this issue and the bill that is on the floor today.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Colorado.

Mr. ALLARD. Mr. President, I rise today to discuss an issue that is in the forefront of every American's mind. Americans nationwide are struggling with high gas prices. I attended a press conference the other day with people who administer programs that provide for the poor, they talked about how the poor are being disproportionately affected by high fuel prices. The part of the American population being most severely affected is those who operate on the margins, such as our poor, such as small business people, who traditionally contribute a huge amount to our economy. Many times they do not have the ability to store their resources for when the economy turns

down, so these small businesses, and these poor Americans, are being impacted disproportionately.

Higher gas prices not only affect our ability to get around, but increasingly they are affecting each facet of our everyday life. Energy builds into our economy from the natural resource level right on up to the final product that goes out to the market and is utilized by the consumer.

Fuel costs are making transportation, construction, and food costs rise. Recently, oil hit $145 per barrel and, from the beltway to Middle America, $4 a gallon gas is the frightening norm.

In the face of these challenges to the American economy and consumer, we have failed to take the steps that are necessary to address this problem either in the short term or the long term. Unfortunately, the legislation we are considering today would do little to change that.

The legislation before us today would do little if anything to reduce oil prices. Blaming investors misses the primary cause of high fuel prices: Nearly 2 years of failed congressional energy policy that has done little to increase availability of fuel resources. That is the cause, and time and time again, we have looked at legislation that tries to disrupt the market—the market that provides an opportunity for the businesses of this country to supply energy to its consumers.

This Congress has been ignoring one of the fundamental rules of economics: Supply and demand. Instituting policies that disrupt the free market does not increase supply. Worldwide supply for energy is being outpaced by a growing demand.

President Bush is doing his part by removing the Executive order that limited the drilling for oil and gas off the Outer Continental Shelf.

The majority party now wants to shift blame from this Chamber to investors, who they would have you believe are robber baron speculators. If only it were so simple. There is no nefarious fiend sitting in a dark room waxing his black mustache playing the market like a mandolin. So who is investing then? Pension funds are, for one. They are making an investment in the growing strength of energy stocks and bonds.

In Colorado, the Public Employees' Retirement Association—we refer to it as PERA—has seen oil companies as an attractive place to invest their members' money. Their 2007 investment overview listed two oil companies in their top 10 stock holdings, including their No. 1 valued stock.

Is their greater interest in investing? Sure there is. But it is primarily because short supply of oil has caused its value to increase. This would happen with any commodity in a similar situation. Conversely, when we take steps to increase supply, prices will go down.

If I remember correctly, there is a guidance principle that applies to the Public Employees' Retirement Association of Colorado that says you are going to invest members' money in that part of the stock market that is going to, in a safe way, give you the best return. Energy stocks match that criteria.

The day after President Bush lifted the Presidential moratorium on drilling on the Outer Continental Shelf, oil prices fell nearly $7 a barrel. Let me say that again. We experienced a drop of almost $7 per barrel in 24 hours because action was taken that got us closer to putting additional supply on the market. This translates into cheaper gas.

The national average price for gas yesterday was almost 5 cents less per gallon than it was before the Presidential moratorium was lifted. This shows that instead of blaming investors, we need to look for ways to increase supply. We do this by finding more sources of energy and using less.

One of the most promising sources of domestic energy is found in the West, much in my home State of Colorado. The oil shale found in Colorado, Utah, and Wyoming could yield between 800 billion to 1.8 trillion barrels of oil. This is more than the proven reserves of the entire country of Saudi Arabia and certainly enough to help drive down gas prices and bring us closer to energy independence. Making us less dependent on foreign oil. We in the United States cannot currently begin to plan how to utilize this resource because of an ill-advised moratorium.

Why aren't we taking steps to utilize this resource and cut back on the $700 billion we send overseas annually for fuel? Because the Democrats in the Senate and in the House of Representatives have prevented the Department of the Interior from even issuing the proposed regulation under which oil shale development could move forward. How do they try to correct this misguided policy? By blaming investors and proposing a piece of legislation that will potentially make things worse by increasing oil market volatility and eliminating investment opportunities.

I support some CFTC reform, such as providing them resources to improve current oversight and get more cops on the beat. I do, however, have major concerns with efforts that would impede the free market with additional regulations. This is especially important now that financial markets are global in scale. Attempts to regulate the market would only apply in the United States. This could cause economic activity to move offshore and help build foreign capital markets that compete against the United States, making us less competitive. This would cause us to lose jobs.

Instead of focusing on blame, we should be focusing on our resources, finding more domestic resources, such as oil shale and using less through conservation. We need more supply and less demand. As we move forward in this debate I hope the Senate will accept amendments, like the ones I hope to offer, that will do just that.

Thank you, and I yield the floor.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Idaho is recognized.

Mr. CRAPO. Mr. President, I rise to join the sentiments of my colleagues from Georgia and Colorado who have spoken about the importance we must place as a nation on implementing an effective and meaningful energy policy in this country as quickly as possible. The United States is far too dependent in our energy policy on petroleum, and we are far too dependent in terms of the petroleum which we utilize from foreign sources.

We need to diversify our energy policy, and we need to do it quickly. By that what I mean is that while we are seeking to become less dependent on petroleum, we must aggressively develop and produce our own sources of petroleum to help stabilize and control the increasing and spiraling cost of oil. We also need to look at alternative and renewable fuels. We need to strongly move into nuclear power. We need to work on conservation aggressively. It is estimated that as much as 30 percent of the world's consumption of energy could be reduced through effective conservation measures. That is another huge source of energy—simply not consuming.

Yet as we have all of these alternatives and options out there, we are faced today with a bill in the Senate and a process to handle this bill that severely limits our ability to evaluate and, hopefully, adopt meaningful alternatives and to establish a sensible comprehensive national energy policy.

The bill we have before us today has one item in it, and that is a regulatory change, or governance, of the futures markets, often called the speculation bill. Certainly—and I will talk about it in a moment—certainly, we can debate whether there is a need for increased regulatory support and for evaluation and oversight and management of our futures markets. I believe there is room for that, though I believe the bill that is before us is not well written. However, while we are doing so, we ought to also take this opportunity—and Americans should be glad an energy issue is on the floor of the Senate, but we ought to take this opportunity, with a bill on the floor of the Senate, to look at the other ideas about how we should achieve energy independence. The circumstances we face now threaten not only our economic security but our national security, and Americans should cry out for this Congress to take solid comprehensive action now, not to simply face one issue that arguably is not even at the core of the need for the solutions.

The Senate ought to work the way it has worked in the past. Let me give a couple of examples. Bill after bill after bill, the way this Senate has historically worked, was brought to the floor, amendments were filed, a robust debate

was held on the amendments, votes were taken on many of the amendments, and at the end of the process, after the Senate worked its will, the bill moved forward for final passage.

In 2005, when we were considering energy policy, that is exactly what happened. In the Energy Policy Act of 2005, there were 235 amendments proposed to the bill. Of that 235 amendments, after the process worked its way, 57 were adopted. There were 19 rollcall votes on amendments, and it took 10 days for the Senate to complete this action.

Last year, as the Senate considered the Energy Independence and Security Act of 2007, again, there were 331 amendments filed, 49 of which were adopted. We had 16 rollcall votes on amendments, and it took 15 days on the floor, but the Senate worked its will and the ideas of Americans from all perspectives were able to be brought forward and debated on the floor of the Senate.

What are we faced with now, as gas prices are over $4 per gallon in this country? A bill that brings forth one solution; namely, to regulate the futures markets, and then offers one other vote to the Republicans as an alternative. That is a far cry from the robust, full debate on policy this issue deserves in this Senate.

Now, those who have brought forth the bill with regard to speculation argue that with a bill dealing with speculation alone, it could reduce the price of gasoline by 20 to 50 percent. The reality is the academics and the economists state it is not speculation; instead, it is supply and demand. Warren Buffett, for example, says:

> It is not speculation, it is supply and demand. . . .We don't have excess capacity in the world anymore, and that's what you're seeing in oil prices.

Walter Lukken, the Chairman of the Commodity Futures Trading Commission—the Commission that monitors these issues—says: ''We haven't evidence that speculators are broadly driving these prices.''

The International Energy Agency states:

> There is little evidence that large investment flows into the futures market are causing an imbalance between supply and demand and are therefore contributing to high oil prices. . . .Blaming speculation is an easy solution which avoids taking the necessary steps to improve supply-side access and investment or to implement measures to improve energy efficiency.

The Chairman of the Fed, Ben Bernanke says:

> If financial speculation were pushing prices above the level consistent with the fundamentals of supply and demand, we would expect inventories of crude oil and petroleum products to increase as supply rose and demand fell. But, in fact, available data on oil inventories shows notable declines over the past year.

The point is the experts are making it clear to us that although we do need to aggressively improve the capacity of our country to conduct oversight and evaluation of our futures market to be sure manipulation is not occurring, the current situation is most likely not being driven by that speculation. That is exactly what the President's working group said to us in the letter that was sent to Senator CHAMBLISS today.

I will quote that again:

> To date, the President's working group—

That again is the Secretary of the Treasury, the Chairman of the Federal Reserve System, the U.S. Securities and Exchange Commission, and the Commodity Futures Trading Commission Chairmen—

> To date, the President's working group has not found evidence to suggest that high crude oil prices over the long term are a direct result of speculation or systematic market manipulation by traders.

The fact is supply in the world has leveled off and some fear will begin declining and demand in the world has skyrocketed. As a result, those who invest in the futures market for oil are speculating it is going to go up. If we want to address the issue, we will address supply and demand issues.

Now, those of us who want to see the United States more aggressively engage in its own production are often told: Well, there is already 68 million acres of Federal land that is open for production. Let's force those lands to be where we produce and we would not then have to go look elsewhere.

Well, the fallacy in that argument is that 85 percent of the lower 48 Outer Continental Shelf and 83 percent of the onshore Federal, nonpark, nonwilderness lands are off limits for exploration and production, and of that 68 million acres that is talked about, not every acre the United States puts up for exploration yields oil. In fact, the percentage for onshore leases is only about 10 percent which actually ends up ultimately being productive for oil. If you go into the offshore, the success rate is a little higher—about 33 percent—and the deep water offshore is at about 20 percent.

My point is, these acreages that are being talked about that have been leased for exploration and potential production are not all going to be producing oil. In fact, the large majority of them will not produce oil. Those that are capable of successfully being put into production are aggressively being pursued. In fact, the law today requires that if they are not pursued and put into production, then the leases are lost.

So for those who want to avoid the United States getting more aggressive in its own production to say: Well, we have 68 million acres, so let's go there, are missing the point. The point is, there is a tremendous amount of oil in the U.S. reserves that we could utilize to defend and protect the security of our economy and our Nation.

Here are a couple examples: 14 billion barrels are available on the Atlantic and Pacific Outer Continental Shelf. What does that mean, 14 billion barrels? That is more than all the U.S. imports from the Persian Gulf countries for the last 15 years. If you look to the oil shale reserves, right now the United States has more than three times the oil reserves than Saudi Arabia in the States of Colorado, Utah, and Wyoming—huge amounts of reserves. When you look at the reserves we have, it is about 1.8 trillion potential recoverable barrels of shale oil, which is the equivalent to hundreds of years of supply of oil at current rates of consumption. Why should the United States continue to refuse to engage in production of our own supplies, when we can do so in ways that will protect and preserve the environment and will make it possible for us to be far less dependent on foreign sources of oil?

I don't have much more time, but I think it is important for us in the Senate to recognize we truly face a crisis, and this issue should not be dealt with in a partisan manner. There are ideas across this Chamber from across this country, by many people, that range from more production to oversight and regulation of investment markets, to conservation, to electric cars and other types of efficiencies, to a number of different ideas, many of which are very helpful and can be a part of the solution. Wind and solar and other alternative and renewable fuels need to be incentivized, but we will not get there if the debate is restricted,

If the people of this country are denied the opportunity for the Senate to engage in a robust effort to develop a comprehensive national energy policy, it is my sincere hope that, as we move forward, we will be allowed to have an open amendment process, where Senators can vote their conscience on a broad array of solutions and that we can then send a strong, powerful bill to the President and a powerful message to the market.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, there is an old saying that when all is said and done, in most cases, more is actually said than done. Perhaps that applies best to this debate.

Should we resolve our energy problems and make us less dependent on the Saudis, Iraqis, and Venezuelans? Of course. Are we too dependent on foreign oil? You bet. Up to 70 percent of our oil comes from outside this country. Are we addicted to oil, as President Bush has suggested? Of course. How do you deal with the addiction to oil? Well, every 10 years, our colleagues come to the floor and say let's drill more holes, bigger holes, deeper holes.

Do you know what? The debate is all about false choices. The suggestion has been made that people on this side of the Senate Chamber don't want to produce anymore. That is absurd, and they know it. That is what we insist because that is the narrative they have created for this issue. They don't want to do what needs doing, so they want to create a series of false choices.

Let me describe the issue of drilling. Drill more. Well, I support drilling

more. I worked with several others in this Chamber to open lease 181 in the Gulf of Mexico. I was one of four Senators who began that process. There is 8.3 million acres in the Gulf of Mexico that has been open for 2 years. There is no oil activity on it right now, despite the fact there are proven reserves of oil and natural gas.

This is a map of Alaska, and this is the National Petroleum Reserve Alaska, NPRA. This happens to be 23 million acres, 20 million of which aren't even leased yet. But they are all open for production. We supported that. Here is a place you can drill. There is more oil here than there is in Arctic National Wildlife Refuge, which has become the hood ornament for their argument. So why aren't we drilling in the NPRA? It is open.

Many Republicans say that Democrats don't support drilling. In my home State, we have the Bakken shale, a seam 10,000 feet down. We have 75 drilling rigs producing oil, drilling for oil in the Bakken shale, just in western North Dakota. There is similar activity in eastern Montana. A U.S. Geological Survey finished the assessment, and it is the largest contiguous assessment in the history of the lower 48 States. They released that 3 months ago at my request. There are up to 3.65 billion barrels of recoverable oil. We are drilling there right now. Don't tell me we are not for drilling. I am for more drilling. I am for much more conservation, energy efficiency, and renewable energy production. I am for all those things, but it seems to me you ought to do first things first.

We have a broken market called the oil futures market. It is a commodities market with which producers and consumers can hedge risks of a physical commodity, but it is now broken. It was created in 1936. The law that creates it has a provision called ''excess speculation,'' because they were worried about excess speculation. When Franklin Delano Roosevelt signed the bill creating the oil futures market, he warned about excess speculation. Well, here we are. The speculators have taken over this market. If you wonder if that is the case, I will show you the result of a House of Representatives investigation. In 2000, 37 percent of the trades on the oil futures market were speculators. Now in 2008, it is 71 percent. They have completely taken over that market.

To my colleagues who say ''supply and demand''—and said:

> . . . I wonder, why do people think that the American people are so dumb they don't understand supply and demand?

He misunderstands. The American people aren't dumb at all. They get it. They are sick and tired of driving to the gas pump and paying these prices. They are sick and tired of seeing the price of oil double in one year, and then they look at supply and demand and realize nothing has happened in supply and demand to justify it—nothing.

I have asked the question: Will someone come to the floor of the Senate and describe to me what happened in supply and demand that justifies a doubling of the price of oil and gas in a year? They never do because they can't. The Secretary of Energy can't. The head of the Commodity Futures Trading Commission can't. Despite the fact both of them repeatedly have said what is happening with the price of oil and gas is the fundamentals of supply and demand. Oh, really? Where? Describe it to me. Nothing has happened in the fundamentals of supply and demand that justifies doubling the price in the last year. What has happened is brain dead regulators, who are supposed to be wearing the striped shirts, the referees that are supposed to call the fouls, have sat back and said: Do whatever you want to do, have a good time, have a party, a carnival.

Speculators have taken over the market. There is a very important reason to have a futures market. It is to allow legitimate hedging of risk between producers and consumers of a physical product. This market became something much different than that. The regulators have said we will issue no-action letters so we don't have that to see. We are willfully blind and deaf and don't care very much what is going on. I know they will deny that, but that is the fact.

So you have a regulatory body that doesn't regulate, a market that is broken, and then we have folks waltz in here and thumb their suspenders and say: You know, we cannot be talking about speculation because there is no speculation. We have had testimony before our committees by some pretty good people who say that as much as 20, 30, up to 40 percent of the current price is due to rampant, relentless speculation.

Let me describe it from the standpoint of Mr. Fadel Gheit. I have talked to him by phone. He testified before the committee. This is a man who worked, for 30 to 35 years, as a top energy analyst for Oppenheimer & Company. He said this last fall:

> There is absolutely no shortage of oil. I am convinced that oil prices should not be a dime above $55 a barrel.
>
> I call it the world's largest gambling hall. It's open 24/7 and totally unregulated. It is like a highway with no cops and no speed limit, and everybody is going 120 miles an hour.

So we bring a bill to the Senate that says let's establish a distinction between those who are legitimately hedging—that is trading for legitimate hedging purposes and all others. All the others will be subject to strong position limits to try to wring the speculation out of the system. It is a reasonable thing to do, in my judgment.

My colleagues come to the floor of the Senate and say: No, let's go for more drilling. That is their narrative. I say, OK, let's do drilling. How about in the National Petroleum Reserve? We set aside 23 million acres there, and only 3 million have been leased. Let's do that. In lease 181, there are 8.3 million acres available. There is plenty available if you want to do drilling. Even as we do that, how about helping us get rid of the speculation in the marketplace and restore this market to what it was intended to do. Do you choose to stand on the side, when somebody says whose side are you on? They say: Let us think about that. We are going to be on the side of the oil speculators. Really? Or I am going to be on the side of those who don't want us to become less dependent upon the Saudis. It is fine if $500 billion, $600 billion or $700 billion a year is sent outside our country in pursuit of oil. That is OK. That will not weaken our country.

We all know better than that. We don't need an overnight epiphany to understand what is happening to our country. These relentless price increases and the unbelievable dependence we have on foreign sources of oil are injuring this country. Every consumer in this country is damaged almost every day. Which airline next will declare bankruptcy or liquidate? How many trucking companies aren't in business anymore? Ask farmers what it is going to cost when they try to fill their tanks with a load of fuel. Then can you conclude this doesn't matter? You cannot conclude that. We ought to be here debating what to do. It ought to be obvious. I have said before, if you are running the high hurdles, you have to decide to jump the first hurdle in front of you. The first hurdle, it seems to me, is to address this relentless speculation and put downward pressure on gas and oil, on prices.

Let me describe what our Energy Information Administration said. They said there is no question about speculation. The only way you can conclude this is not speculation is to look at this chart and not see it. On this chart, here is the price of oil. It is kind of like a Roman candle on the Fourth of July. Here is what our Energy Information Administration told us. We spend about $100 million a year for this agency, which has the best and the brightest, to evaluate supply and demand and come up with this. I put this chart together because I want everybody to see how wrong they have been and conclude why.

Take November of last year. They said this would happen to the price of oil. Then, in January of last year, they said the line will look like this. In March of this year, they said it is going to look like this. You can go back to May of last year, a year ago. Obviously, this isn't where the price went. It went up like this. Is that because the people estimating it were stupid, maybe didn't sleep well, didn't finish school, or had no common sense? That is not why. They didn't understand this is not about supply and demand any longer.

This is about a speculative binge that is driving up the price of oil in a manner that is completely disconnected

with supply and demand. I understand we have people talking about that, and I understand the world is changing. I understand the Chinese want to drive cars and people from India want to drive automobiles. I understand there will be maybe 300 million, 400 million, to 500 million more cars on the road 10, 20, 30 years from now. I understand that. But that hasn't changed significantly in the last 12 months. There is nothing that changed with the estimate of future demands in the last 12 months that justifies this line.

That is why we bring a bill to the floor of the Senate that says let's at least agree, on a bipartisan basis, to do first things first. Then you say, well, we need to support drilling, conservation, energy efficiency, and more renewables. You bet your life—although, I would say many of those who have spoken on the other side are not quite so enthusiastic about the other side of energy that is renewables and conservation and energy efficiency.

We have many airlines in this country. Obviously, that industry is one of the heaviest users of jet fuel. We have had seven bankruptcies recently. They have said it means thousands less jobs. Normal market forces are being amplified by poorly regulated market speculation. The Nation needs to pull together to reform the oil markets and solve this growing problem. That is from the airline industry. You probably saw the newspaper yesterday—and this is not unusual—''Jet Fuel Costs Push Midwest Air to End Flights to 11 Cities.'' It is happening across the country. I would understand this if, in fact, this was a circumstance where supply and demand had changed in a radical way, and we would decide in this country that, you know what, we have to confront supply and demand. We have to do that in the longer term. But that is not what this is about.

I said earlier today, in my judgment, the drill now—and I am for drilling now, so let me be clear—the drill now mantra is a yesterday forever strategy. It is good that every 10 years they come to the floor and say the solution to our energy issues is to drill now. If yesterday forever is comfortable for you, good for you. I don't think it is a good policy. I think we need to use this circumstance at this intersection and say we are going to fundamentally change America's energy future. We can do that. John F. Kennedy didn't wake up one day and say: I am going to give a speech and say I think America is going to put a person on the Moon, or I hope that perhaps someday we can put a person on the Moon. He could have said we are going to try to see if we can get someone to walk on the Moon. That is not what he said. John F. Kennedy said:

> By the end of this decade, we are going to have a man walking on the Moon.

He just declared it. That is our goal, what we are going to do. This would be an awfully important intersection for us to decide, after we take care of this excessive speculation to set the market right, that we should do a lot of things—and conservation is the cheapest and most obvious option. The other thing we ought to do is do some change. We ought to decide that in the next 10 years we are heading toward hydrogen fuel cell vehicles. Maybe between now and then, we will move quickly toward electric-drive vehicles. We are going to have a completely different future with substantial new wind energy, solar energy, and geothermal energy development. We are going to build a superhighway transmission system, just as President Dwight Eisenhower did with the interstate system. That way we can use the wind belt from Texas to North Dakota and the Sunbelt across the Southwest can displace significant portions that we currently get from fossil fuels for electricity. We can do all of that, but only if we start pulling together as a country.

I have watched this debate this afternoon. It is the most disappointing debate because we have people coming to the floor of the Senate who are the ''just say no'' crowd. Just say no. No matter the question, just say no and then develop some little narrative that allows you to say no and make people think you are saying yes.

How about this issue? The market is broken. It has resulted in the doubling of oil and gas prices in the past year, and there is no justification in fundamentals of supply and demand to make that happen. How about having us pull together and say: Let's fix the broken market and put downward pressure on oil and gas prices. Don't use something else as an excuse. When you talk about something else, I am going to say: I am with you on that; I think we ought to do a lot of everything. Don't use that as an excuse to do nothing here, but let's at least do first things first.

There is plenty of reason for the American people to be disappointed in what they hear from their Government. It is so frustrating to be here and understand what needs to be done and yet does not get done because we have people who believe they were born to be a set of human brake pads and stop everything at all times.

On a number of occasions, I have described on the floor what we have done. Think for a moment. We split the atom. We spliced genes. We cloned animals. We invented plastics. We invented radar. We invented the silicone chip. We invented the telephone, the computer, and television. We decided to build an airplane and learn to fly it. We build rockets. We walked on the Moon. We cured smallpox. We cured polio.

It is unbelievable what this country accomplishes. Yet, somehow we decide what we should do is continue a strategy of being dependent, for 60 or 70 percent of the oil we need to run America's economy, certain oil producing countries like Saudi Arabia, Kuwait, Iraq, and Venezuela. I am sorry, I think that policy is nuts.

This country needs to mobilize and pull together. This is not about Republicans or Democrats. It is about a game-changing strategy that says: Here is where we have been, and right now, we can't go there in the future. We need a different kind of energy future.

My point is just to do first things first. The first thing on the floor of the Senate is about speculation. Mr. President, 47 Members of the other side have indicated in one form or another, through one comment or another, in their home state or here in the Senate, that speculation is a part of the problem. If that is true, and I believe every Member on this side of the Chamber believes that, that ought to add up to 97 Senators. I don't know who the three others are who apparently have not voiced an opinion, but we ought to be able to pass legislation that fixes a broken futures market.

Just as quickly, we ought to be able to agree on a wide range of other issues. Yes, we should include some drilling in areas that are open and not being drilled on. We should also look more aggressively at conservation and energy efficiency and make a dramatic change to renewable energy in the longer term. We ought to be able to do that. The American people should expect that of us, and we ought to be able to meet that expectation.

I know others are going to come to speak this evening.

Just so the American people understand, we agreed to a cloture motion on a motion to proceed. That means we voted to shut off debate, not on this legislation but on whether we should proceed to the legislation. So we had that vote, and now the minority is saying to us: No, you cannot proceed to the bill; you need to speak for 30 hours.

There is a 30-hour requirement. Usually, it is waived back, but in recent times, on everything, it has been required. So now, for the next 30 hours, we will have people obfuscate; thumb their suspenders; wear blue suits on the Senate floor; and talk about this, that, and the other. We are not making progress because the minority is saying we have to spend 30 hours before we can even get to the bill of which I have been speaking. It is an unbelievable procedure. In most cases, cooperation would simply suggest that we work together. Unfortunately, there is a big, growing problem that is hurting this country. Yet if we work together and find a way to fix it, then it makes a lot of sense to me.

I am someone who is respectful of other opinions, but in this case, I think there is a mountain of evidence that should lead us to fix this market and put some downward pressure on oil and gas prices. Following that, we can, in a matter of days, it seems to me, work on a wide range of other issues that deal with all of the issues I just described. We can put America in a much better place if we decide to do that.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, I rise to speak on the Energy bill that is on the floor today. This is a great debate, it is a needed debate, and one that is happening every day across our country, in every community and at every gas station and coffee shop—as to how to get these energy prices down and what we need to do to get these energy prices down. So I am delighted we are getting the chance to talk about it on the floor.

I think people across the country are absolutely, there is no question about it, completely fed up. They are tired of it. It has hit them directly and it has hit them hard. It is making people change lifestyles or even do without essentials simply to be able to get to and from work or to and from appointments, schools, and hospitals. This is a big, huge problem that Americans are facing daily and that we need to address and that we need to solve and we need to deal with.

Unfortunately, this base bill does not go to the heart of the question. I am delighted we are having a chance to talk about it, but I wish we would go to the heart of the question of what we need to do, which is to produce more, to create more options for people across the United States, and to conserve.

A fact that I think people are recognizing, but one we don't talk nearly as much about, is the huge transfer of wealth that is taking place from this country to other places. This year alone, importing a million barrels of oil less per day in the first 5 months of this year would have reduced the year-to-date trade deficit by more than $14 billion. If we had imported a million barrels of oil less a day, we could have reduced that trade deficit by $14 billion. It would have increased our GDP and increased domestic employment and certainly had some impact on prices. That is something we don't talk about as much, but it is a big part of the equation as well.

Obviously, we need more domestic energy production. We are witnessing this massive transfer of wealth because we don't have adequate domestic energy production. Every year, to buy oil, America sends well in excess of half a trillion dollars to foreign countries. In fact, in 1972, Saudi Arabia's foreign exchange earnings were about $2.7 billion. That was in 1972. In 2006, it was over $200 billion. Clearly, we are having a huge transfer of wealth. And where is that wealth coming from? It is coming from people pulling up to gas stations and filling up their pickups; diesel fuel consumption. It is coming from the American consumer, and it should be going back into Americans' pockets instead of going overseas. So we are seeing too much of that taking place right now.

We have some options, and different people have talked about different ones, but I want to highlight several that I think are key for us to be looking at for our future in producing more. One is the oil shale regions of Wyoming, Utah, and Colorado. I have a quick picture of this. I think some people, hopefully, have seen this.

Here is an area that has been frozen out of production by law that could be brought into production. It has huge reserves in it—500 billion or more potential—and it is being held off the market. So while we transfer billions and trillions of dollars of wealth to regions of the world—and in many cases they don't like us—we are holding off production of areas in the United States that we could produce from in an environmentally sound way. We have huge reserves here, and that makes no sense to most people across my State of Kansas as to why you would do that. What is the purpose here? We can do this in an environmentally sound way. We can do it with American technology and know-how, and we need to get that done.

Another thing we need to do, particularly from my vantagepoint, coming from the Midwest, is to do more with biofuels. A recent study from Merrill Lynch found that the world's use of biofuels has kept oil prices 15 percent lower than they would be without these alternative fuels—15 percent lower. So you are looking at 60 cents a gallon of that $4 gasoline that is being held lower because we have biofuels. That is something we need to continue to do more of.

We are producing ethanol plants throughout the Midwest and throughout the country. We are moving into cellulosic ethanol, and we have the first four of those plants coming on line. It is an innovative technology of taking, in many cases, what we would refer to as agricultural waste and turning it into ethanol. That is a key part of our growing and our marketplace that we can utilize.

I think we also need to look at other fuel sources, such as methanol and biodiesel. Earlier today, a tripartisan group of my colleagues and I introduced a bill that would require 50 percent of the new cars made in the United States, or sold in the United States by 2012, to be flex-fuel vehicles. These are vehicles that you can pull up to a gas pump and put gasoline, ethanol, methanol, or any combination of those three into the car. This is a goal the big three auto manufacturers in the United States say they can achieve—50 percent by 2012—and then we up it to 80 percent 3 years later, adding a 10-percent increase of the new cars that have to have that option of the flex fuel.

Now, if you were to take that situation today, what that creates, instead of having a monopoly of dependence on oil, you have an option and a competition, which is going to reduce price. You can pull up at the pump and say: Okay, I want to put in E–85 ethanol—85 percent ethanol and 15 percent gasoline. What is the price on ethanol today? Versus: Okay, let's see what it is on gasoline versus methanol. What is it I can get here? The car or the pickup can read any of the fuels. This is a technology that is estimated to cost about $100 per car to put it in but is priceless in creating options and competition for the fuel sources in the United States.

Somebody asked me at the press conference that Senators LIEBERMAN and SALAZAR and I held on this: Well, isn't this going to hurt plug-in technology or plug-in cars? I said: It is my estimation and hope that in the future you are going to be able to buy a plug-in hybrid flex-fuel car that you plug in at night, go the 20 miles on electricity—it is a hybrid, so it recharges and uses that electricity whenever it can in the vehicle—and then it is a flex-fuel vehicle, so you can use ethanol, methanol, gasoline, or any combination thereof. That creates that competition on fuel sources, whether it is electricity, ethanol, methanol, or gasoline, and we will reduce price. These are things we need to do to move forward and get off of our reliance on foreign oil and the addiction we have to foreign oil.

We also need to innovate. I am going to show a chart here of what I thought was a very innovative project in the western part of my State that is still on the drawing boards. It has been blocked to date, but it is an integrated bioenergy center near Holcomb, KS. It was going to use coal-fired technology to produce electricity. They were going to take their $CO_2$ emissions and run them through an algae reactor. They were projecting they would reduce 40 percent of the $CO_2$ emissions, running it through the algae, and then taking the algae and making it into biodiesel. So you have this integrated center where you have this sort of biodiesel and algae reactor fuel as well associated with it because of the heat production, and the use of that and the ethanol plant where you can get these integrated systems together. At the end of the day, you reduce your $CO_2$ emissions, increase your fuel production, and it would be good for the economy. So you are balancing the economy, energy, and the ecology of the environment. You get the three Es balanced together and moving forward in an innovative made-in-America type of plant.

Those are the sorts of innovative solutions that we need to move forward with and to discuss in this debate so that we create a competition. We need to create options, we need to produce more supply, and by producing more supply, we are going to reduce price in this price point. And by producing

more supply in the United States, we are going to stop the transfer of wealth to the degree that we have seen taking place from the United States, out of our pocketbooks, and into, unfortunately, the pockets of our competitors, who, in many cases, don't like us.

I am the ranking member on a subcommittee that has held hearings on this particular bill, and that is the Appropriations subcommittee that funds the Commodity Futures Trading Commission. We have looked at these issues. And while we are having an important debate here—I think it is a good discussion—I think the hearings we have held have been very positive in reflecting on how much money has been coming into a number of places in the futures market. Yet if we are going to get the answer to the basic question here of trying to reduce price, the clear way is to deal with the supply-and-demand equation—increasing supply and reducing demand—and not just saying: Okay, it is all because of speculation that these prices are going up.

I do believe it would be wise for us to limit pension funds, the amount pension funds can put in the commodities market, but primarily as a feature of how you help the pension funds, because commodity markets are inherently volatile, moving wildly at various times, and it seems not to be a wise place to put large amounts of pension funds. But this bill goes far beyond that, to the point that the Kansas City Board of Trade—it is on the Missouri side of Kansas City, but a number of people working there live in Kansas—is strongly opposed to this and thinks it will hurt the commodity futures market rather than help it. You are going to hurt the price discovery mechanism, and you may well, in the long term, end up driving up prices through these features. They have been in my office previously drawing attention to outside funds coming in and saying this is something that ought to be looked at, but when they look at this answer, they are saying it is way over the top. It doesn't fit the need that we have of the day.

I wish to make the point on where we need to limit the pensions funds in the commodity futures market. As public pension funds have grown in size and expanded their investment portfolios beyond traditional equity and bond investment activities, significant losses by some major pension funds have led to greater calls for scrutiny and investigation.

For example, the San Diego County pension fund lost about half of its $175 million investment in a hedge fund when the fund crashed due to what turned out to be a disastrous bet on natural gas, getting into a commodity market. All told, approximately 20 percent of the pension fund's assets are invested in alternative strategies through hedge funds and other money managers.

That is my point here. I think the right place to look is a limitation on the total amount of monies that can be put in hedge funds, into the commodities futures markets, to protect the pension funds, rather than saying this is the silver bullet that is going to cure the increase in energy prices that we have.

Mr. President, I thank my colleagues for the chance to be able to speak on this bill. My colleague from Alaska, whose State is absolutely critical to expanding our energy supply, is here to speak further about the need for production.

I yield the floor.

The PRESIDING OFFICER (Mr. MENENDEZ). The Senator from Alaska is recognized.

Ms. MURKOWSKI. Mr. President, I appreciate the opportunity this evening to bring to light some of the comments that have been made on this floor earlier about what is happening with existing leases across the country, the oil and gas leases that exist, and whether the oil companies are sitting on these leases—whether they are producing energy. I will try to assess what we are talking about when we look at the leasing status of the oil and gas opportunities around the country.

Some have suggested that perhaps the oil and gas companies are sitting on these leases, that they are not producing energy, in an effort to drive up the prices of oil and gas. I suppose that is a creative theory but, honestly, it is one that has so many holes in it, it is like installing a screen door on a submarine. It is bound to sink.

At best, the charge is based on a review of what I consider to be incomplete data viewed through a prism of little actual knowledge of the difficulties of producing energy from any individual tract. At worst, the charge is a smokescreen to cover up the opposition to the production of more oil and natural gas from where it is likely to be found, and not necessarily from those areas where the opponents want it to be located.

Currently, of the 45 million acres onshore in the United States under oil and gas lease, about 10.5 million acres are producing energy, with the remaining 34.5 million acres not yet in production. Offshore, of the 49.3 million acres under lease, about 15.2 million acres are producing. These are statistics on which I think we are all in agreement. These are the known leases out there.

What that means is, of the Nation's current 67,700 oil and gas leases, about 30,000, or 44 percent, are producing oil and gas at this time.

I can understand how, at face value, you look at that and say that doesn't look like a very good track record, only 44 percent producing. The numbers make it seem as if there are lots of leases that the industry is simply not moving on. But I think we need to look at those leases and say: What is the situation? What are the facts on the ground?

Let's take a closer look at these inactive leases.

This is just the onshore leases. If you look at the 34.5 million acres, of those, 3.2 million acres are suspended while review problems are being worked out. You have 1.1 million acres that are tied up in the development of land use plans. You have 760,000 acres that are blocked from any development by active and ongoing court litigation. You have 645,000 acres that are waiting the completion of legally required environmental impact statements. You have about 450,000 acres that are awaiting revisions of their EISs after reviews, and you have 500,000 acres that are tied up in the production-permitting process.

Walking through the numbers, when we are talking about inactive, what does ''inactive'' mean? If you look at the status of many of these, you see there are a multitude of reasons they are not producing: litigation, permitting process, land use plans, other acreage is on hold until companies can find and lease drilling rigs, and then all of the other exploratory equipment that they need to go into these exploratory wells. This is not an easy proposition, given the level of activity in the oil and gas patch right now.

I can tell you for a fact that it is extremely difficult to get the drilling rigs, the exploratory rigs, that we need, and there is a wait for those. Even more acres already have been explored, but they are awaiting confirmatory or additional exploratory wells to determine whether the hydrocarbon find is large enough to be economical to produce. Just because you find a little bit doesn't mean that it is going to be economical to produce. You have other tracts that are waiting for infrastructure to be built to get their oil or gas to market.

You have heard me say on the Senate floor many times, we have incredible natural gas supplies on the North Slope, all in the northern part of Alaska, but we do not have the infrastructure to get that gas to market.

In other cases, complex coordination is needed among a host of differing lease holders to determine the future for new energy provinces that haven't yet been finished. Then, of course, you have some of the tracts that have either demonstrated very disappointing initial shows of the hydrocarbons or they are just too small to be economically produced without production from nearby tracts that have more oil.

The overwhelming number of the tracts, the lease tracts that exist out there, simply do not hold any hydrocarbons that anyone has been able to find. Companies may not yet have had enough time to return them to the Government. I have had conversations with some who, it seems, believe that because an oil company has paid good money for a lease there must be oil and gas there. The truth is, while some of these prelease reviews of the tracts are conducted so some of the companies are not exactly bidding blind, the level of presale review is not sufficient for

the companies to have a clear vision of whether there is going to be sufficient oil and gas to be found there. About two-thirds of the time it is not, it is not sufficient, and the companies drill their infamous dry wells.

As you can see, it is not simply as easy as saying there are 34 million acres that are not producing oil. The examples I have given you are as they relate to onshore. The same is true for offshore exploration. We have to recognize that production just doesn't start once the lease bid has been won. We certainly know that in Alaska. The complication of lawsuits, the regulatory compliance, the current shortages we are seeing of labor, of equipment, of infrastructure—they are ignored by charges of energy lease warehousing.

Sometimes when you think about all that goes into exploration and development, it is a wonder—at least it is a wonder to me—that of the 7,700 new leases that have been issued in 2007, we have about 1,800 that have yet to be explored. The industry has obtained drilling permits for the first 5,300 of them. I look at that and say it looks as if they are doing pretty well. But it normally takes longer than a year to start the exploration. The norm is about a 2- to 5-year time period to get through the planning, get through the redtape, before you actually determine whether you have oil.

Alaska is different. As you know, our resources, our reservoirs, are quite extensive. We have been producing oil from Alaska's North Slope for the last 30 years and, in my opinion, doing a fine job of it. But we recognize that exploration and development in the Arctic is that much more challenging; it is that much more complicated. The timeframes are that much longer. It takes us about 6 to 7 years at a minimum to get to the point where we are able to determine whether there is oil to be had there.

In addition to the delays that I have mentioned, the permitting, for instance, and just the equipment issues, is the requirement that we have in place that ice roads be used to locate the drilling rigs. You just can't take your drilling rig and plunk it out there on the tundra. We have very firm and set requirements for how that exploratory activity can take place, when it can take place. The companies have to wait until the tundra is frozen. They have to wait until it is frozen before they can move the rigs to the sites. It is an extremely limited exploratory season. When you have a limited season like this, it can add years to the timetable for exploration.

I had asked our DEC, our Department of Environmental Conservation, which is the State department that makes the determination as to when the companies can actually go out onto the tundra and engage in any exploratory work out there. For the 2007–2008 exploration season, the timeframe in Alaska was December to May. This includes the time that it takes to move the equipment to the site.

Just to give an example of what we are talking about, it depends on where you are going. It is not just the beginning of December to the end of May. In the e-mail that we received from DEC, it says ''oil companies can begin regular travel across the tundra along the coast on December 28. In the upper foothills you cannot begin until January 24, and in the eastern and lower foothills''—this is where most of the activity has occurred—''you can commence on January 16 of 2008.''

They have about 4 months to do their work. They have to be off the tundra in the upper foothills on May 13, and out of everywhere else on May 16.

This is how precise it is. It is not because we are looking at a calendar, and there is some magic day. It depends on what is happening with the season, how cold it is. The rules are—and I am quoting:

> The companies can't get onto the tundra until the ground is a negative 5 degrees centigrade, 30 centimeters down—

About a foot—

> and until there is 9 inches of snowcover to protect the vegetation.

For all those who are saying you can't do this exploration in Alaska because we do not care about our environment, let me tell you we have been caring about our environment for a long time. We put these parameters in place because we do care about the ecosystem. We do care about the condition of the tundra. We do want you to have an ice bridge that you move this heavy equipment across during the winter months and that is removed right after you have done the exploration. Then when the spring comes, and the summer, and the thaw happens, there is no mark to the tundra because your road has melted. We leave no impact.

But when you think about how you do business in any other field—if you are a construction company, you know what your construction season is. If you are a fisherman, you know what your fishing season is. The oil and gas industry in Alaska, they know that their exploratory season is very limited. Essentially we are talking about 60 to 90 days a year.

In the National Petroleum Reserve—I will put up the map just so people can understand what we are talking about in terms of the geography. This is the ANWR area. This is State lands. This is our Trans-Alaska Pipeline, which is carrying the existing oil from the Prudhoe Bay fields down to the southern part of the State. This is the National Petroleum Reserve.

In the NPRA, waiting for these frozen conditions to allow for exploration again means that the companies have between 60 to 90 days during which actual drilling can take place. The leases on the North Slope, then—put it in context—are available for drilling activity between somewhere about 15 percent to 25 percent of the year.

You put that in context with most any other industry and you would say you can't just operate only 15 percent of the year. Your costs must be incredible. Yes, costs are incredible up there. A single drill rig can only drill at most two exploration wells per year, and part of this is just how we move the equipment. The ice for making the roads, the weather issues, the fuel, and the logistics—all these account for about 75 percent of the costs for exploration. The actual drilling actually accounts for about 25 percent of the costs.

For all of these various reasons, in the NPRA, the oil and gas industry has only been able to drill 28 exploratory wells since the year 2000.

This is out of the hundreds of leased tracts. So far, the area in which they have found some prospective tracts is in the Greater Mooses Tooth Unit, but unfortunately, given how far these small amounts of oil are from the existing nearest infrastructure, which is the Alpine Oilfield, production is anticipated to still be quite far away.

Again, to put it in context, this red line here is our existing pipeline going down to Valdez, but you have pipeline infrastructure up here on the coast. The Alpine field extends to here, and the Mooses Tooth area is right in this region here. But it is 80 to 100 miles to connect from some of these more prospective finds to the existing infrastructure. On the other hand, it is about 25 miles between the end of the pipeline here and the 1002 area in ANWR where we are seeking to have an opportunity to explore and drill.

I think what I want to leave folks with this evening is keeping in mind that not all leases are equally prospective. We know you have some elephant finds; Prudhoe was an elephant find. We believe the ANWR will also be an elephant field. But we know that for every big find you have out there, there are just as many, if not more, dry holes. There are leases where the companies spend billions of dollars to buy, as they have this past year in the Gulf of Mexico and in the Chukchi Sea over here. There, the geology is very favorable for oil and gas discoveries. But mostly companies buy usually a minimum lease, and the cost is a couple of million dollars per tract, and they are really very marginal. Those are the leases that likely do not contain the oil and gas that are still awaiting exploration.

We look at how the oil companies are making their investment because certainly from Alaska's perspective, we want to know whether they are investing in oil and gas opportunities up north. This last year, the top 25 oil and gas companies in the United States invested $1.15 trillion on exploration and production, the top 5 companies spent $765 billion on exploration from 1992 to 2006, and in both instances industry members invested more than they earned back in profits.

Now, in part, this is because this country has not been putting its most prospective tracts for oil and gas discoveries up for lease. You have some

777 million acres of lands onshore that are off limits to oil and gas production. That is about 62 percent of the Nation's likely oil and gas potential.

To bring it back to Alaska, think of ANWR, the place where the largest onshore deposit of oil is likely to be found in America. There is a 95-percent chance that 5.7 billion barrels will be found, a 5-percent chance that there will be 16 billion barrels, and the mean estimate is about 10 billion barrels of recoverable oil. And it is off limits. It is off limits.

Offshore, 1.76 billion acres of our coastline are off limits to development. This is an area which is believed to hold approximately 80 billion barrels of oil.

So in kind of wrapping up my comments here this evening about the leases, I wish to remind folks that when they talk about the ''use it or lose it'' rationale or direction they feel we should take, they need to remember that these oil and gas leases around the country already expire after 10 years. Only in Alaska can companies seek an additional 10-year extension to bring the leases into production. This is a right we had granted companies in the Energy Policy Act of 2005, and we did it for the reasons I have outlined for you tonight, because we recognized that environmentally sound exploration was, in many cases, taking longer than 10 years. I do not think there are any of you out there who are going to suggest that, well, we do not want to do it in an environmentally sound manner. Well, if we are going to do it right and we are going to protect the environment, it might take us a little bit longer in a place such as Alaska where you are only able to explore and engage in exploratory and production activity for 15 to 25 percent of the year.

You have to ask the question, Why should companies spend money on new leases in an area where they can easily be delayed from bringing oil and gas online and then lose all of their investment through no fault of their own? Companies also have no reason to delay producing oil. Each year, they pay between $1 and $5 onshore and $6.25 and $9.50 an acre offshore to keep their leases in effect. So in order to hold their leases, they have to be paying.

Think about what they have already kind of put in place, if you will. They have purchased the lease up front, and for many of the leases, they are extremely expensive in terms of the outlays the company has to make. Then they engage in the pre-exploratory efforts.

I keep mentioning NPRA and the cost we are seeing there. It is anywhere between $50 and $100 million to drill an exploratory well in the NPRA area—$50 to $100 million to drill. And then what happens if you drill and there is nothing there? Well, you get to give it back, but you do not get anything from the Federal Treasury when you give it back. These are costs you have as a company. So there is a very powerful incentive for companies to see the development of any lease acres they believe have the potential they are looking for, a powerful incentive for companies to speed development of the 68 million acres that some argue is not being developed quickly enough.

We have a ''use it or lose it'' law in place. It is a situation of enforcing it, and we do enforce it. There is no reason, in my mind, that we need to do more in this area at this time.

I know I have gone over my time. I had hoped to be able to have a little discussion about the distinctions between the ANWR area and the NPRA area. I do not see any of my colleagues on the floor at this point in time, so with the permission of the Chair, I would like to continue, unless there is another order at hand.

The PRESIDING OFFICER. The Senator has no time limits.

Ms. MURKOWSKI. Mr. President, I wish to kind of walk people through a little bit of the distinction, if you will, with ANWR, which the American public has heard an awful lot about for the past 20 years as we have, in our effort, attempted to open this 1002 area that was set aside for exploration and development when the refuge area was established.

ANWR consists of an area that is 19.6 million acres—the size of the State of South Carolina. This map is a little bigger and helps you put it in context. This is the entire Arctic National Wildlife Refuge in the State of Alaska. It borders against Canada. And here is our pipeline coming down. This whole Arctic National Wildlife Refuge is the size of the State of South Carolina, again, about 19.6 million acres.

Also within the Refuge is a huge wilderness area, the ANWR wilderness area. It is 10.1 million acres in the Refuge itself. Nothing can happen in the wilderness area in terms of any development whatsoever. It is wilderness. We have established it as such. It will remain as such.

The area we are talking about in ANWR for development is what is known as the 1002 area, taken from the legislation itself, section 1002. What we are talking about when we ask for permission from the Congress to allow for exploration in ANWR is not permission to drill in the Refuge, not permission to explore in the wilderness, but permission to explore in the area that was set aside by Congress for the purpose of exploration and development in this 1002 area; it is 1.5 million acres in this area.

But we are not seeking to do all of the 1002 area with exploratory wells; we are asking for permission to drill in an area that would be about a 2,000-acre area. So when you kind of winnow down what we are talking about, it is really pretty minimal in context of the whole. If you take into account that the Refuge area is the size of South Carolina, this is the area we are looking to explore. And within that area, we have agreed we do not think we need more than 2,000 acres of area for disturbance.

Why do we think we can get by with that small amount? It is simply because we have advanced our technologies so far when it comes to oil and gas development in the Arctic, the technologies that allow us to drill under the surface and go out directionally up to almost 8 miles in every direction. The caribou are on top, and they do not know what is going on. You do not have disturbance to the surface. It is our technology that will allow us to extract a resource and utilize the resource and still allow for the care of the environment, for the animals that are there, for the caribou that migrate through. We want to do it right.

So this is the ANWR area I mentioned earlier. This is the existing series of pipelines that spurred off of the Trans-Alaska Pipeline built about 30 years ago. The line extends to an area about 25 miles to the border of the 1002 area. So when we are talking about access to the resource, to the infrastructure that is there, it is not too bad, 25 miles. It is still difficult given the environment, but it is certainly doable.

Let's go over here to NPRA. NPRA is 23 million acres in size, 23 million acres total; 4.4 million acres are new acres available for leasing, 3.94 of which are available immediately. These are leases in the northeast and the northwest part of NPRA. If you look at this map, it has the leases themselves. These are in the green area. The 2006 leases are in this area here, and then the new leases that are coming on are in the northeast and the northwest area of NPRA.

The crosshatched areas we see here have been put off; in other words, we have deferred these areas. This area here north of Teshekpuk Lake is now protected, 430,000 acres in this area. We have agreed to this deferral because we recognize the sensitivity of the ecosystem, the waterfowl that come through there. It is an area that we recognize should be off limits. NPRA, in terms of its prospects, the estimate is 5.9 to 13.2 billion barrels of technically recoverable oil. So the mean there is about 9.3. It is right in the same ballpark as ANWR. If you recall, I said ANWR had a mean estimate of about 10 billion barrels of oil. So it is about the same. The difference is access to the infrastructure and the geography.

Go back to this other map. If you have 10 billion barrels estimated in this small area and you have 10 billion barrels estimated in this larger area, we are talking about 1.5 million acres versus 23 million acres. It doesn't take a math genius to figure out that it is more concentrated in ANWR; 15 times more oil per acre in ANWR than NPRA. That is worth repeating: 15 times more oil per acre in ANWR than you would anticipate in the NPRA.

The other issue is access to the infrastructure. When you are looking at 25

miles from the end of the pipeline here to get to the 1002 area and recognize that you have opportunities through directional drilling so you can minimize impact to the surface, that is not too bad of a stretch. But when you are looking at your more lucrative finds in these areas, looking at, say, 150 to 200 miles of pipeline to get your resource into infrastructure, it is extremely difficult to reckon with that. That has been one of the issues we have faced. BLM is proceeding expeditiously. They have been working to advance the leasing program in the NPRA area.

It is interesting because it seems that some in the House and the Senate have just discovered NPRA. They say, well, you have all these wonderful leases over there and you have all this great opportunity. You should make that happen. It certainly does sound easy. I would like to do more to make it happen. But when you are dealing with geography, as we are, when you are dealing with environmental issues, when you are dealing with a lack of infrastructure, when you are dealing with a limited exploratory season and the extremely high cost, it is not so easy to make it happen.

Back in the 1940s, when NPRA first started leasing, 36 test wells were drilled, 45 shallow cores were drilled to find commercial oil and gas. But they didn't find any. In the 1980s, there were 28 more test wells. Seismic was conducted. In 2000, in the leasing period then, we saw 28 exploratory wells drilled and at least 12 3–D seismic efforts had been conducted, shooting the 3–D seismic in the area. But again, the only small finds that we have come upon have been in the Greater Mooses Tooth area. The problem is, to this point in time, we haven't found enough in these areas to justify a pipeline that would be 80 miles, 100 miles to connect up. That is a harsh reality. It is going to take realistically 6 to 7 years to bring NPRA tracts into production. Compare this with the 2 to 5 years in the lower 48. It takes that much longer. Compare the cost we face for exploration in NPRA. You are looking at wells that are costing somewhere between $50 and $100 million to do a single exploration well. This is compared to wells that can cost 6 to 10 times less in the lower 48.

I don't want to make excuses for Alaska, because we want to develop more. We are ready to develop more. But we recognize it does take longer for the multitude of reasons I have mentioned.

One of the things that perhaps has not been talked about and I might not have mentioned in my earlier comments when I was speaking about leases is the number of leases we actually see turned back by the companies. About 700,000 acres of awarded leases since 2000, in the NPRA area, have been turned back. If you look at this map—and I know on the screen you won't be able to see the squares—in these areas, in these areas, in these areas, in these areas, about 700,000 acres have been returned by Conoco-Phillips. This is the company that has the most experience in the area. They have already given up on 267 lease tracts in the preserves. They may well end up turning back another 407 tracts covering 2.8 million acres by the end of this year. What they are finding is a lot of natural gas, but the oil potential seems to have dimmed in areas where they are looking.

As I said, we have a lot of natural gas up there, but we don't have the infrastructure. We are working on that. The State of Alaska is working diligently. Our legislature is actually meeting in about an hour to take a significant vote on how we move forward with construction of a gas line. Again, the potential for NPRA is certainly there. We believe it is very viable. I mentioned the mean estimate of about 10 billion barrels. But the seismic evidence we are getting back seems to indicate that the likelihood for oil is diminishing, and we are seeing greater gas.

One of the things we also recognize is that the area that is viewed most prospective around Teshekpuk Lake here is the area that has been deferred from leasing for at least a decade. This was the outcome of lawsuits by environmental groups that had opposed the development in this key habitat area for waterfowl, the black brant. Our reality is that as good as NPRA is and as much as we want to see NPRA developed, it is less prospective than the Arctic Coastal Plain to the east; again, 15 times more oil forecast to be discovered per acre in ANWR than in NPRA.

I have had an opportunity this evening to give a little bit of perspective about what is available up in the Arctic in Alaska, what we would like to be able to provide. But I am also trying to leave my colleagues with a sense of the pragmatism, the reality that comes with oil exploration and production, not only in the Arctic, where it is challenging and very difficult, but in the rest of the country. When we say we have these leases that are in play and the companies have chosen not to produce, it is only right that we look more closely at these inactive leases and ask: What is the delay? What is the problem? Is it litigation? Is it some kind of a land use plan delaying it? Where are they in that process? But to suggest that because we are not seeing actual production here and now, that somehow or other we are not trying hard enough, ignores the reality of the complications the industry faces on a daily basis.

We want to do more. We want to find more, use less, as we have all been saying. But I think it is important that we recognize as we attempt to find more, we have to be realistic in terms of our expectations.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. SNOWE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. SNOWE. Mr. President, I rise to speak today on the legislation that is pending before the Senate, the Stop Excessive Energy Speculation Act of 2008. I believe it does represent a significant action that Congress can take right now to help reclaim our energy markets, to ensure the prices that Americans pay at the pump truly reflect supply and demand dynamics and not the additional, backbreaking costs added to a barrel of oil as a result of market manipulation and rampant speculation.

I do not come late or lightly to the issue of speculation. I have worked closely with Senators FEINSTEIN, LEVIN, and CANTWELL, and I could not commend their leadership enough as we have worked to enhance transparency in our energy markets for more than 2 years. We have successfully collaborated to close the enron loophole through an amendment to the farm bill, which Senator FEINSTEIN and I spearheaded. And I am particularly pleased that this legislation incorporates components of legislation I introduced with Senator CANTWELL, which would significantly enhance regulations on foreign markets that trade U.S. energy assets.

Now, I understand there is a great deal of discussion, debate, and even dispute about the process surrounding this legislation. Let me say, having returned to maine almost every weekend, having spoken to countless Mainers and Americans from all walks of life who are literally frightened and desperate because they do not know how they are going to fill their gas tanks, how they are going to heat their homes this coming winter, how they are going to even survive this winter. and the only thing they care about is results.

It is the beginning of the process, as it should be, to debate a larger question on energy policy. Obviously, this is not the end-all and be-all, but it is a beginning of the legislative process that must start. We must move forward on this legislation. It is not mutually exclusive with considering a far more comprehensive package. In fact, I would say that it must not be mutually exclusive. This body must debate and consider additional measures as a wide ranging package, in my view, that addresses the additional pressing energy issues that will both move our country toward self-sufficiency in the short term as well as, of course, in the long term.

Again, I believe acting on speculation as well as our long-term energy strategy must not be mutually exclusive. The fact is, we can and should enact this speculation measure and then move immediately to energy legislation. If that means spending every

minute of the remaining days of this session on energy legislation, then that is what we must do. The issue is not a matter of time but political will.

For the moment, with respect to the legislation before us, this bill today does begin the process of enhancing the transparency of our energy markets. It should be debated, amended, and improved. I do not agree with every provision in the legislation, but I do think it moves the process forward. After all, Congress has had more than 40 hearings on speculation. While I strongly support the intent of this legislation, and believe it would be a vast improvement over the current regulatory structure, I think we can agree we should utilize our collective knowledge and insight of energy experts to further enhance this pending legislation.

With the price of oil up $11 one day and down $8 the next, with testimony and studies indicating that speculation is contributing as much as $25, if not $60, a barrel, there is no question that swift, decisive action of this kind is required. In fact, last month, during a Senate Commerce Committee hearing, chaired by Senator CANTWELL, Professor Michael Greenberger, the CFTC's former Director of Trading and Markets, testified that foreign trading of U.S. commodities is increasing energy prices that Americans are paying, and, worse, the regulation of foreign markets is inferior to U.S. standards.

Americans have a right to know what is occurring in these markets, that trade commodities can be costly and wreak financial havoc on them. The Government Accountability Office study, which I requested nearly 3 years ago, demonstrated just how futures markets play a key role in price discovery but that these markets require three fundamental criteria: first, current information about supply and demand; secondly, a large number of participants; and, third, transparency. It is transparency that is conspicuously missing from these markets today, especially with regard to foreign markets that trade U.S. commodities.

Unequivocally, if U.S. commodities are being traded overseas, then the foreign market must incorporate the core principles established by the Commodity Futures Trading Commission for the New York Mercantile Exchange, including position limits and accountability, emergency authority, and daily publication of trading information.

The absence of these principles along with a lack of transparency could foster corruption and a gaming of the system in these markets, as we witnessed with Amaranth and Enron. There are traders active on the New York Mercantile Exchange as well as the ICE Exchange in London who are buying the same U.S. West Texas Intermediate oil on both exchanges. How does that happen?

Well, I ask my colleagues, what is the effectiveness of two markets if they sell the same product but one has relaxed regulations?

I posed this very question, with Senator FEINSTEIN, to the CFTC Chairman in a letter 2 months ago. The Acting Chairman responded that even if the CFTC instructed a trader to reduce the size of his NYMEX West Texas Intermediate position, nothing under the Commodity Exchange Act or the Commission's regulations would prevent that trader from establishing a similar position for West Texas Intermediate on the ICE London Exchange. What good are regulations if you can simply sidestep them and move to another exchange?

To its credit, the CFTC has since reversed its position after Senator CANTWELL and I pressed the Acting Chairman by introducing legislation. The CFTC has now moved forward to establish position limits for U.S. traders making transactions on U.S. commodities on foreign exchanges.

I am pleased the legislation before us today would codify this CFTC rule for all foreign exchanges. However, at the same time, we should heed Professor Greenberger's admonition and regulate futures markets which are physically located in a foreign country but that operate in the United States and trade U.S. commodities—exactly like NYMEX.

This stipulation is exactly what Senator CANTWELL's and my legislation would accomplish by requiring that these foreign markets, which trade a third of all the contracts for America's West Texas Intermediate, be subject to the 18 core principles established by the CFTC. Only when foreign markets adhere to these principles will we be able to ensure our energy futures markets are secure and not susceptible to manipulation. With that said, this legislation significantly improves the regulations for foreign trading of U.S. commodities, and I will be supporting this package because of this basic provision.

This brings me to the larger point I want to convey to this Chamber today. This bill is indeed a step in the right direction. But the problem is, instead of steps, America should be making giant strides. Instead of adding yet another year to 30 years of a failed, piecemeal approach to energy policy, we should be developing a bipartisan consensus, one committed to landmark, comprehensive energy legislation. As a result, I call on my colleagues to join to move forward with other policies that could be implemented now that will make a difference for our constituents struggling with inordinate prices when it comes to energy.

In a world in which gasoline at the pump costs $4.10 per gallon, according to AAA—obviously, prices vary across the country—and the price of oil is still approximately $130 per barrel and could easily spike depending on the day, or the events, where the Consumer Federation of America estimates that the amount spent annually by American households on energy in the last 6 years soared from approximately $2,600 to an astonishing $5,300, where the United States is sending as much as $700 billion overseas this year for oil—the largest transfer of wealth in human history—and where energy costs are boosting the price of groceries and transportation, commuting, plane fares—arguably every aspect of our daily lives—I ask my colleagues, in the area of energy policy, can we not pass a speculation bill that then leads to consideration of a larger energy measure?

I think of the taxpayer who could use a $300 tax credit to purchase a high-efficiency oil furnace, which would save $430 annually, according to calculations based on Department of Energy data and recent home heating oil prices. But what did we do? We allowed the tax credit to expire—and to date, there are no Federal incentives for homeowners to save money and for our country to reduce energy demand.

I think of our Nation's vast reservoir of renewable resources that is available to us yet lies virtually dormant. As this chart highlights, our entire country has access to significant wind that may be developed into electricity. On May 12, the Department of Energy, in a groundbreaking report, stated that wind energy alone could produce up to 20 percent of our Nation's electricity—20 percent.

If you look at the map of the United States, you see the potential for wind energy. In my State alone, we have $1.5 billion pending for investments awaiting the outcome of whether we are going to extend the tax credits for renewables.

But what has Congress done? Increased uncertainty for renewable energy companies by not extending incentives that are scheduled to expire this year, causing a precipitous decline in investment. Projects currently underway may soon be mothballed. We have already seen this occur, when our renewable production tax credit expired in the past, as indicated by this chart.

Looking at these years, in 2000, 2002, and 2004, the production tax credit expired, and there was a pronounced downturn in electricity production from a clean American resource.

If you look at this chart, you can see the vast difference in what we did in 2007, when there was a bill. When the production tax credit was available, we saw the investments being made. You see the red arrow going down shows where we did not have it, and it had a significant and marked impact in lessening the investment and causing the underwriting of investments to fail. That is unfortunate because clearly the Federal Government and the Congress have a role to play when it comes to spurring incentives and investments in alternatives, and certainly this is the case with the production tax credit.

Seven months ago, we could have begun to put more than 100,000 Americans to work with an extension of clean energy production tax credits, if

we had passed these incentives as I called for in the stimulus package almost, what, 6 months ago now. This is evidenced by the growth in the industrial production of wind blades, turbines, fiberglass, and towers.

I recognize that wind energy cannot be produced everywhere in our country, but the manufacturers of wind infrastructure are growing throughout the country. Wind is a resource that our country could be developing right now, if we only extended the modest tax incentive.

Again, I think this chart is an illustration of the potential for wind energy across this country; as I said, including in my State, where we have $1.5 billion worth of wind power projects available, awaiting the outcome of whether the Congress is going to extend the tax credits for renewables.

Why aren't we doing this now? I do not understand why we did not include this as part of the stimulus package 6 months ago. Certainly, this was stimulative in terms of what it could accomplish in job creation. We well know that. As I said, 100,000 jobs, so obviously the tax credits would have had an impact on the economy. It would have had an impact on job creation. It would have had an impact on energy production, investments for the future, and moving this country forward. These would have been concrete steps that would have sent the right message to those who are prepared to make the investments in alternatives, but we are fiddling while people are scrambling to figure out how they are going to make ends meet with soaring energy prices.

Here we could take up the simple act of extending what we know will be extended—that is the ridiculous nature of this whole debate, that we know we are going to be extending the tax credits. We know, so why don't we take the steps proactively and be aggressive in addressing the problems facing this country, rather than reacting, rather than stalling, rather than hesitating to take action on a critical and fundamental issue when it comes to alternative energy sources.

There are sizeable geothermal resources we could tap into right now. Last year I met with President Grimsson of Iceland who related to me how geothermal power now provides 93 percent of the heat for residential homes on his island. This achievement marked the culmination of a 30-year undertaking, the dividends of which Iceland is only now beginning to reap. Not only is the United States the greatest producer of geothermal power, as the President noted, but we also possess the world's largest potential for additional geothermal capacity, as indicated in this chart again, yet we don't have policies in place to tap this tremendous energy alternative. Again, it demonstrates our abilities and our capabilities when it comes to geothermal, yet we have not tapped into this mighty resource as an alternative. We have not taken the proactive position and actions, nor created the incentives that would encourage this as an alternative, as an investment, whether it is commercial or residential—and it could be both—yet we are not taking any action when it comes to this resource that we have in abundance across this country.

The evidence in favor of maximizing this particular resource is overwhelming. In fact, a Massachusetts Institute of Technology report published in January of 2007 provided an extensive assessment of the future of geothermal power in the United States and concluded it is possible to produce nearly 10 percent of total electricity generation by 2050 at a cost of between $600 million and $900 million, which would be extremely attractive today to the energy market. The findings posited that geothermal power can be expanded because of a new drilling technology that artificially produces the geothermal process at deep levels in the Earth's crust.

We could begin this process, but yet again, we are investing little to nothing toward the production of geothermal power, and there are currently no incentives for homeowners to develop clean, American, geothermal heating or cooling systems for their own homes. I ask the question: Why?

There are actions we in this Chamber could take right now to soften the blow being incurred already by our citizens in every region, every sector, and at every income level in this country. Why can't we move on legislation I introduced last week with Senator KERRY authorizing $1 billion in funding from 2009 to 2013 to help States design and implement a crisis response to addressing the rising cost of heating oil, natural gas, and diesel? In very short order, grants could be administered to States to help provide heating shelters for communities, as well as energy assistance and information to the elderly, to consumers, and to small businesses.

Why can't we move on legislation I joined with Senators DODD and KERRY in introducing last month, which would stipulate that if the price of home heating oil exceeded $4 per gallon this winter, the Home Heating Oil Reserve would be released on a staggered schedule throughout the winter? There are nearly 2 million barrels—2 million—currently available and going unused in the Northeast. It would be an egregious dereliction of duty for the Government to withhold this vital heating source when the health and safety of our population is at risk.

Why can't we move on legislation I have introduced which would extend energy efficiency tax credits for new homes, new commercial buildings, and home retrofits that were included in the 2005 Energy bill? These tax credits are working to make a difference right now. Since 2006, when the new homes tax credit was first put in place, 30,000 new homes have qualified for the tax credit, cutting the energy use of those homes by half. According to a Harvard School of Public Health study, 65 percent of homes are under-insulated. With 100 million homes nationwide, there is a considerable amount of savings if we would provide incentives for homeowners to make the investments in efficiency.

It is hard to believe we have yet to pass tax credits, for example, for my constituents to retrofit their homes with a wood pellet furnace, for example, which they are trying to do right now. We can't pass it here at a time when we are facing the crisis of home heating oil of more than doubling, could be close to $5. We have yet to get close to winter, so no one can predict what the cost of home heating oil will be as we approach the winter or even as we approach fall. Right now it is somewhere between $4.62 and 4.79 per gallon, depending again on where you live. These are the projections and these are what people are paying, and yet we cannot pass a tax credit for people to retrofit their homes to alternative furnaces because we are dithering once again.

It is regrettable that we can't take these simple but concrete steps that can make a difference. We could take many steps that could constitute viable actions that could truly assist this country, yet we remain timid, stagnant, and polarized. Instead of earning the public trust, we continue to lose it. It is no wonder the approval levels for Congress are now hovering around 14 percent. Some of us are working to transcend party, to reach across the aisle, to put political posturing aside for something larger than scoring a point here or a point here. I am advocating that we join forces, not out of some idea of getting something done, but because circumstances are grave and the potential peril we face is that ominous that bold cooperation is the only answer.

In a recent column entitled ''Dumb as We Wanna Be,'' Thomas Friedman said as much with regard to our unbelievable squandering of these tax credits. He said:

> Few Americans know it, but for almost a year now, Congress has been bickering over whether and how to renew the investment tax credit to stimulate investment in solar energy and the production tax credit to encourage investment in wind energy. The bickering has been so poisonous that when Congress passed the 2007 Energy bill last December, it failed to extend any stimulus for wind and solar energy production. Oil and gas kept all their credits, but those for wind and solar have been left to expire this December. I am not making this up. At a time when we should be throwing everything into clean power innovation, we are squabbling over pennies.

In my own State of Maine, the absence of an energy policy is creating a bleak picture for the future that only gets more dire as winter gets closer. Eighty percent of Maine households use heating oil to get through winter. For those of us in Maine, like all of New England and those of us in the

West, access to home heating oil is not just a matter of economic survival, it can be the difference between life and death. Last year at this time prices were at a challenging $2.70 a gallon. For the Mainer who, on average, goes through 1,000 gallons of oil, that is $2,700. The price now is $4.62, meaning it will cost those of us in Maine $4,600 to stay warm—and that is here in July. We haven't come into the fall; we are not even approaching winter. That is not even taking into account the gasoline prices. This is a looming crisis in Maine, one that requires immediate attention, not only for Maine but throughout this country.

Because of the anxious concern about the price of heating oil that is mounting in my State, because our economy continues to teeter on the brink of recession and even stagflation, and because efforts to craft an energy policy have remained mired in political machinations year after year, we can ill afford to stand idly by. That is why I, along with 15 of my colleagues—Senator BEN NELSON and I wrote a letter, and we were joined by 15 other colleagues, including Senators WICKER, GREGG, BAYH, LEVIN, COLLINS, SUNUNU, SPECTER, JOHNSON, CARDIN, COLEMAN, LIEBERMAN, DOLE, LANDRIEU, and BARRASSO, asking the President to convene an emergency summit to address what is a growing energy crisis. We recognize the status quo must change with regard to our energy paralysis, and we have to sit down and forge a bipartisan and bicameral agreement with the President. We are calling on the President to convene this emergency summit on both ends of Pennsylvania Avenue.

We ought to be able to sit down around the table, convening the bipartisan congressional leadership and other Members of both the House and Senate on committees of jurisdiction, along with industry leaders, environmental leaders, and all stakeholders, because this is a national emergency that requires urgent attention by the President and by the Congress to take immediate action.

Because families are facing painful choices on a daily basis between filling up their cars with gas or feeding their family, I have called on Congress to do everything to address every needless dollar our country spends on energy as a result of price manipulation and rampant and unchecked speculation. The bill under consideration today helps achieve that, but we have to do much more. So while I agree we must move forward with this legislation, I hope at the end of the day, at the end of this process, we will consider other measures that are so instrumental to crafting a comprehensive energy policy. The President too has a responsibility to join us in this process. We should be working individually and collectively in bringing the best minds in this country together to begin the process of addressing our energy policy based on the short term, on intermediate and long-term proposals that are so essential to eliminating our dependency on imported foreign oil once and for all. We need to develop strategic independence, and that is going to require urgent attention on our part. It requires consensus and compromise that has paved the way for landmark legislation in the past and it obviously requires crossing the political aisle to advance these historic initiatives—principles ingrained in our Constitution and keystones from our Nation's inception.

When considering the vision of the Framers and the times in which we find ourselves, I am compelled to say today that unless we in Congress depoliticize these monumental issues of our time—as we have neglected to do time and again on energy policy—unless we set aside our partisan self-interests, we risk marginalizing this institution we cherish, and we will not only have failed those who have elected us, but we will have failed the test of history. As we are witnessing every day, the stakes couldn't be higher economically, militarily, and globally.

The core challenge is—as it has always been—for this, the greatest democracy on Earth, our ability to govern ourselves. Good governance doesn't mean full agreement or comity 100 percent of the time within the walls of this venerable, deliberative body, but it does mean that we, as elected officials, have an individual and collective responsibility to make the system work, and that can only happen when we are willing to take the risk of working with each other instead of against each other. We would engender a renewed integrity to this process if we were simply to allow it to work. We should begin to make every possible effort to make it happen. If we truly accept working together, there is nothing we cannot achieve. We could realize, I think, milestone accomplishments that would be so important for this Nation at this very anxious time.

I hope this is the beginning of the process of crafting a comprehensive energy policy. It is rightfully what the American people expect and deserve from their elected officials and this institution.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

WELCOME HOME SHAW

Mr. BROWN. Mr. President, in June, I had the distinct honor of joining thousands of Clevelanders at the Wolstein Center to celebrate the determination and success of The Mighty Shaw High School Marching Band. The band was preparing to travel to Beijing later that month to perform at the International Olympic Music Festival. Shaw was one of only five U.S. marching bands invited to this event, and we celebrated their achievement that night in Cleveland.

On the night of the concert, there were several thousand people in attendance. Many of them were Shaw High School alumni but just as many of them were not.

Folks traveled from all over the State of Ohio to come out and show support for the marching band, everybody dancing and singing in celebration of Shaw's accomplishment.

The celebration represented more than a sendoff of a high school marching band. It represented the collaboration of an entire community and the sheer willpower of a dedicated band and its tireless and fearless director. Donshon Wilson can be called many things: director, teacher, and mentor. But for the students and families of Shaw High School, he is also called hero.

Mr. WILSON, a Shaw marching band alum, saw the decline of his beloved band and decided to do something. Beginning in 2001, with a meager budget, he took a handful of students and turned the band into a 60-member-strong force to be reckoned with.

This year, with his unwavering faith and determination, he raised the necessary funds—more than $400,000—to send Shaw to Beijing.

Mr. WILSON had transformed a high school band from an organization that plays instruments to a group that inspires thousands of young people across Cleveland.

From performing for Senator OBAMA and Senator CLINTON in the last year, to entertaining city diners as the musicians played impromptu concerts throughout Cleveland's city streets, to representing our country in China, the Shaw marching band is an example of the best and the brightest in our community.

At that Cleveland concert in June that my wife and I attended, what was already a great celebration turned even more jubilant when Band Director Wilson announced that the money raised in the last year would not only send the band to Beijing, it would also establish a new seventh and eighth grade section of the band.

When it was announced Mr. WILSON would extend the program to now include the younger students in the Mighty Cardinals Marching Band, the crowd applauded with joy and gratefulness. They knew this had never been done before. Giving the students the proper foundation to become better musicians earlier in their lives benefits this entire community of the city of East Cleveland.

As a father of four children, I could not help but well up with pride as more than 30 boys and girls in seventh and eighth grade marched onto the arena floor to join their new band sisters and brothers in a spirited performance that brought down the house.

Because of the extraordinary work of Mr. WILSON, the Mighty Shaw High School Band, and school superintendent Myrna Loy Corley, a new generation of students will become part of the Shaw band family and Cleveland history.

Earlier this month, Shaw returned from their triumphant trip to China.

To say they were a hit is an understatement. From a spirited performance in the historic Xi'an City Plaza, to an energetic performance at the Great Wall of China, to their climactic parade and a knock-their-socks-off concert in Beijing, the Shaw High School Band represented themselves, their school, their city of East Cleveland, and this great country with honor.

In the process, based on the cheers and applause from the audiences, they won the hearts of their Chinese hosts. This summer, the people of China—and the world—came to know what so many of us already knew: The Mighty Shaw High School Marching Band is world class.

These are the band members:

Jimea Barnum, flag; Justin Bass, French horn; Jason Blade, trumpet; Samone Bey, dance team; Krystal Brooks, flag; Alona Bryson, dance team; Carlissa Chambers, dance team; Renee Dorsey, flag; Kamaria Eiland, flag; Leah Foster, cymbals; Isaiah Gardner, tenor drum; Marlon Graves, tenor drum; Rhonda Harris, cymbals; Arthur Hill, baritone horn; Simone Hurd, dance team; Kayla Jordan, dance team; Gerome Jennings, Baritone horn; Jared Lang, French horn; Derrick Le Grande, tenor drum.

Deontae Lewis, French horn; Mathew Longino, French horn; Marshae Love, dance team; Audrey Maxwell, trombone; Genesis Maxwell, cymbals; Alisha McClellan, cymbals; Robert Miller, tenor drum; Seirra Moore, trumpet; Quanee Penn, snare drum; Tony Prather, bass drum; Raymond Raye, bass drum; Sharleen Riley, flag; Chanay Robinson, trombone; Tyrel Ross, tuba; Delilah Sedrick, dance team; Natasha Shields, trumpet; Masonia Shorter-Little, trombone; Jimila Small, trumpet; Andresa Stephens, dance team; Marshell Stone, trombone.

Chavone Taylor, snare drum; Jonathan Thomas, tuba; Rory Tripp, trumpet; Donovan Vaughn, trumpet; Ericka Walker, trumpet; Denzel Watkins, snare drum; Kimille Webb, dance team; Russell West, baritone horn; Daniel Whitworth, tuba; Ciera Whitworth, trumpet; Shera Williams, trombone; Victor Williams, snare drum; Latonia Young, flag.

These young men and women are special as students, as musicians, and as citizen ambassadors. Welcome home. We are all so proud of you.

I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MORNING BUSINESS

Mr. BROWN. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## 34TH ANNIVERSARY OF TURKEY'S INVASION OF CYPRUS

Ms. SNOWE. Mr. President, I rise to mark a dark anniversary for the Hellenic-American community, and its Cypriot members in particular. Thirty-four years ago this week, the armed forces of Turkey violated the sovereignty and territory of the Republic of Cyprus by illegally invading and ultimately occupying its northern third.

The continued division and military occupation of Cyprus by Turkey remains a gross violation of the human rights and fundamental freedoms of all Cypriots and a blatant disregard for the rule of law. The European Court of Human Rights has repeatedly condemned Turkey for violating fundamental rights of Cypriots such as the right to life, the right to liberty and security, the right to the protection of property and the prohibition of inhuman or degrading treatment—rights we as Americans also regard as sacrosanct.

Throughout these decades of injustice, the Greek Cypriot community has sought a just resolution to the ''Cyprus Question.'' And we are certainly at a potentially historic crossroads in the effort to end this tragic division. With the February election of President Christofias and his focus on engaging the Turkish Cypriot community, the coming months may turn out to be among the most consequential in the island's long history. Certainly, for the people of the Republic of Cyprus, the illegal occupation of the north cannot come to an end soon enough.

Meeting with Cypriot Foreign Minister Markos Kyprianou in early April, I was therefore heartened to hear in detail about the progress made at President Christofias' March meeting with Mehmet Ali Talat, the leader of the Turkish Cypriot community, which resulted in the establishment of working groups on the outstanding substantive issues to be resolved between the two communities. Shortly thereafter, the two communities opened a critical border crossing on Ledra Street in the heart of Nicosia in early April. The two leaders have met twice more to review the progress of the working groups, and are scheduled to again meet at the end of this week.

These efforts only strengthen my long-held commitment to work to ensure that the United States stands by its close ally, the Republic of Cyprus, to achieve a resolution to the tragic division of the island that is fair to Greek Cypriots. As we learned from our experience with the justified rejection of the Annan Plan by Greek Cypriots in 2004—the Cyprus Question is one that can only be resolved through mutual agreement on a solution, not an imposition of one.

The magnanimity of the Greek Cypriot community in seeking a fair solution to the division of the island despite the injustices they have suffered for nearly three and a half decades was also highlighted for me in October, when I met with the Mayor-in-exile of Famagusta, Alexis Galanos, concerning the Republic's hope for the orderly resettlement of the ''ghost neighborhood'' of Varosha by its rightful inhabitants under U.N. administration, which would also open the harbor for use by both communities. Support for this plan—which the international community called for in United Nations Security Council Resolution 550 of 1984—demonstrates not only the willingness but also the wisdom of the Greek Cypriot community in seeking just and workable outcomes to seemingly intractable problems on the island. I am pleased to be working with Ambassador Andreas Kakouris of Cyprus to garner congressional support for this initiative.

Moreover, the United States should be doing its part to address one of the most devastating effects of the occupation on Cypriot-American families by providing the means for U.S. citizens with claims to property in the Turkish-occupied north of Cyprus to seek redress for the homes that have been destroyed or taken from them. The invasion by the Turkish troops in 1974 forced nearly 200,000 Greek Cypriots—nearly one-third of the Cypriot population at the time—from their homes, making them refugees in their own country. A large proportion of the properties from which the Greek Cypriot owners were expelled was unlawfully distributed to the tens of thousands of illegal settlers from Turkey. An estimated 7,000 to 10,000 U.S. citizens of Cypriot descent have claims to such properties.

That is why my colleague Senator MENENDEZ and I have introduced the American-Owned Property in Occupied Cyprus Claims Act, which would direct the U.S. Government's independent Foreign Claims Settlement Commission to receive, evaluate, and determine awards with respect to the claims of U.S. citizens and businesses that lost property as a result of Turkey's invasion and continued occupation of northern Cyprus. The bill would further grant U.S. Federal courts jurisdiction over suits by U.S. nationals against any private persons occupying or otherwise using the U.S. national's property in the Turkish-occupied portion of Cyprus. The act would expressly waive Turkey's sovereign immunity against claims brought by U.S. nationals in U.S. courts relating to property occupied by the Government of Turkey and used by Turkey in connection with a commercial activity carried out in the United States.

More than just providing redress to Cypriot-Americans who have had their ancestral homes taken from them, this legislation would uphold the larger shared values of justice and personal dignity that the citizens of both the United States and the Republic of Cyprus value so highly. It is my hope and pledge that, whatever progress is made in the current talks between the two communities on the island, the United