

along with the more than 150,000 combined members of the American Association of Occupational Health Nurses, the American Heart Association, and the National Association of Homebuilders, will be mobilizing to encourage safe practices, and increase the quality of life for employees and employers;

Whereas the theme of NAOSH Week 2008 is "safety is good business", highlighting that businesses operate more efficiently and are more respected when they use effective safety and health management systems; and

Whereas, on May 7, 2008, occupational safety and health professionals will be recognized during the 3rd annual Occupational Safety and Health Professionals Day for the work they do to keep people safe at work: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of May 4 through 10, 2008, as "North American Occupational Safety and Health Week";

(2) designates May 7, 2008, as "Occupational Safety and Health Professionals Day";

(3) commends occupational safety, health, and environmental practitioners for their ongoing commitment to protecting people, property, and the environment;

(4) commends those businesses that encourage a strong safety culture and incorporate occupational safety and health into their business strategies;

(5) encourages all industries, organizations, community leaders, employers, and employees to join with the American Society of Safety Engineers to support activities aimed at increasing awareness of the importance of preventing illness, injury, and death in the workplace, during the week of May 4 through May 10, 2008, and throughout the year; and

(6) urges all people of the United States to continue to act responsibly and to be safe at work so that the millions of people who go to work return home safely every day to their families and friends.

ENERGY

Ms. CANTWELL. Mr. President, there are many items we were taking care of, but I think the Senate, including the Presiding Officer, in the last several days has spent a lot of time talking about the high prices of gasoline and how the consumers are being impacted by it.

I come to the floor tonight to continue that discussion and to say to the American people and the people of Washington State whom I represent that we are going to be aggressive and vigilant about looking into the oil market and why gas prices have risen over 100 percent in a year when there has been no disruption of supply, when there has been no shortage, when most oil companies testified that oil should be at \$60 a barrel, why we are at these high gas prices.

Many of my colleagues have been out on the floor speaking. I keep pointing to the fact that the price of oil has been at over \$118 a barrel. I don't know what they closed at today. Many consumers have been paying anywhere from \$3.56 a gallon to \$4.22 a gallon for diesel. Oil futures—I keep emphasizing this—oil futures are part of what drives the day-to-day price of oil. When oil futures are so high, that helps set the price in the day-to-day, what is called the spot market. We know oil futures

now will be over \$100 a barrel for several years. We know this is a very big indicator of the challenge we face in keeping gasoline prices low.

Many of my colleagues have been out here talking about ANWR, how we should drill in the Arctic Wildlife Refuge and we will solve our problems. I do not support drilling in the wildlife refuge because I think it is a very special place because it is a wildlife refuge. More importantly, in this case, it is not going to solve our energy crisis. Drilling in the Arctic Wildlife Refuge will, at the height of its production 10 or 20 years from now, if it actually occurs, will reduce gas prices by about a penny a gallon. We are talking about a few dollars of savings over a year's period of time. We are not talking about a solution.

The United States has 3 percent of the world's oil reserves. We are not going to drill our way out of this problem. So we need to act.

Many of my colleagues have said it is about the fact that there is not enough gas supply; we don't have enough inventory. And we hear from oil analysts who give testimony or write articles in the paper that "gasoline inventories are higher than the historical average at this time of year . . . so there is really no need to worry about the supply being too tight." This is an oil analyst who said this in March. Here is somebody analyzing the market who says it is not about the supply being too tight.

We had some people say it is all about refineries, if we just went ahead with refineries producing more and there are all these environmental regulations and they cannot produce more oil. According to CEOs of oil companies, that is not the issue because the CEO of Shell testified that—this is before a Senate committee—"We are not aware of any environmental regulations that have prevented us from expanding refinery capacity or siting a new refinery." That is not what the problem is either.

We know it is not any existing regulations because here is another CEO of an oil company who said: At this time, we are not aware any projects have been directly prevented as a result of any specific Federal or State regulation.

I have gone over some of these charts, and I am going over them again tonight because I think it is important for us to get to the bottom of what is going on. We owe it to our consumers, to our constituents to make sure that strong Federal statutes are in place that prohibit market manipulation and that they are enforced and that if markets are out of control—and by that I mean there is no justification for the price—we have somebody in the Federal Government, a Federal agency that is going to police that market and hold people accountable for the manipulation of supply and price.

During the summer season, we actually think consumption in the United

States is projected to decline. So this notion somehow that the summer driving season is upon us and all of a sudden the price should go up because more people are going to be driving taking vacations and it is going to have an impact and that is why the price should go up is just not correct. This is a statement by the Energy Information Agency that it declined over last year by three-tenths of a percent and is expected to decline by four-tenths of a percent for the summer. It is not really about the fact that all of a sudden just because it is summer we should pay higher gas prices.

I have shown this chart about supply and demand because it shows in the orange color what demand have been and what supply has been, the yellow line. What is interesting is that supply and demand has been fairly consistent over time; that is, we see some anomalies there, but pretty much supply and demand are being met. So someone cannot say we had in 2007 or 2008 a big gap and that is why today prices are 100 times what they were, over 100 percent from where they were a year ago. You cannot say that because supply and demand are basically constant.

That leaves us to say, What is the problem? What is going on and what is causing this problem? When I think about this issue about what America needs to do to make sure oil markets are policed, to make sure oil markets are functioning, to make sure oil, a commodity that is so important to us in the United States as it relates to our economy, is really properly policed by proper Federal agencies, I look at where this is.

I have said a couple times on the floor now it seems to me that hamburger in America has more regulation as it relates to the futures market than oil does. I am sure some will say: What is the Senator from Washington talking about? What I am talking about is basically this chart which is that cattle futures, which are traded on several platforms, basically do not have any exemptions. They have to comply with all the rules and regulations of the futures market. That means they have to register, people have to know who is buying and selling on that market. They have daily reporting requirements. That means there has to be transparency. And there are speculative limits. Those speculative limits in the market for something such as cattle futures basically say if price gets out of control, then they stop the market. They stop the market; they don't let it just careen out of control.

Yet we look at oil—besides the NYMEX, oil has been traded on these mini-platforms, and you ask: Does it have to meet any of these same requirements as beef? No. Look over here and they are exempt. There is no check mark here. They are exempt. They are an exempt commodity. Why? Because in 2000, they were given an exemption called the Enron loophole that basically said those trades don't have to

comply with the same daily reporting requirements of the futures market. They don't have registration, so we don't know who is impacting that market. We don't know who is doing it. They certainly don't have daily reporting requirements, so there is no transparency, and they don't have any kind of limitation on the speculation. Basically, we have a totally different regime of how futures are treated.

As I said, the important point is that the oil futures price impacts the day-to-day price of oil as well. So it is very important that we have a futures market that functions, that is not manipulated, that has a certain amount of transparency to it, that there are reporting requirements so that if something is amiss in the marketplace, it can be investigated.

Let me be clear. I don't think any oil company or hedge fund or any other organization wants a disruptive market that does not function properly on market fundamentals. That is not good for anybody. So everybody should think that somehow hamburger cannot be more important to America than oil as it relates to our economy, and yet we have given all of these exemptions to oil and said we don't need to know this. We don't need to know this information. It is apparent at these prices that market fundamentals are not working. Supply and demand is not working.

We as a body basically said we want a prohibition on manipulation of oil. We made it illegal for any person to directly or indirectly use "any manipulative or deceptive device or contrivance" in connection with the wholesale purchase of crude oil or petroleum distillates. And we said any violators of that law could be fined up to \$1 million a day. We did that in December. I think that \$1 million per day is a pretty stiff fine to deter people from manipulating the market.

We also said anybody who knowingly provides false or misleading information about the wholesale of crude oil or gasoline prices to a Federal department or agency can also be fined up to \$1 million per day.

We believe when we look at the Enron case and we look at some of the information that has been provided in these other markets where there has been manipulation, that providing false information was exactly the way we caught and understood exactly how people were manipulating the market.

That is the legislation that Senator REID and the Democrats pushed and got bipartisan support for in the Senate and we passed in December of last year.

What we have been waiting for is the FTC to act. We have been waiting for the administration to enforce that law. We have been waiting for them to enforce that law by writing the rules and regulations that will police the oil market and catch the manipulators of oil prices in this country.

The good news is the FTC is acting. The FTC, within the last half an hour,

40 minutes, has issued their rule. I have it here. This is the new rule.

It has to go through a public comment period. It has to have the input, I am sure it will be from hundreds of people who will want to say this is how I think this rule should work. I certainly encourage consumers and consumer organizations and my colleagues in the Senate to all respond to this rule because it will be critical that we hear from people.

I think the Chairman of the FTC, Chairman Kovacic, has done a good job saying in a press release just issued:

We understand consumer prices are being hurt by high gas prices and that the Commission remains vigilant in using this authority to prevent unlawful behavior that affects gas prices.

I congratulate the FTC in issuing this rule. But I want people to understand that this rule in its final implementation is what is going to say to those individuals who are manipulating markets—we don't know yet about oil markets. We certainly know we have found manipulation of electricity markets, we have found manipulation of natural gas markets, we have found manipulation of propane, and we are going to use this law and this new rule to police the oil markets and stop any kind of activity that is spiking the price of gasoline and ruining our economy.

I can't say how important it is that we move forward on this rule. I can't tell you how critical it is because without the proper tools, without the proper policing and a market careening out of control—we had an oil analyst who basically said—I don't know if we have that chart—but he basically said Government has to act because there is too much speculative power running around in the market without the oversight, and Government needs to act. If it does not act, prices are going to keep going up.

I wish to give an example because the Amaranth case was a natural gas case where a hedge fund basically manipulated the market and sold a bunch of product into the market, physically a whole month of supply, to crash the price and then basically end up capitalizing on the fact they had so much control of the market.

Back to a chart that we have on beef and cattle futures, it is the issue that when you look at those markets, one of the reasons you police markets and you look at speculative limits and you have exchange registration is because you want to make sure that not one big player has so much market share it ends up using that in a manipulative way, which is what Amaranth did.

After Amaranth basically collapsed and the Federal Energy Regulatory Commission went after them for the manipulation of these prices, the price of natural gas fell 38 percent. After they got out of the market, the natural gas price fell 38 percent.

I am not saying this is going to happen, but imagine if that same thing

happened in the oil markets. What would happen if we found out there was a big player such as Amaranth that was helping drive up the price and you actually could see a reduction of 38 percent from where we are today at nearly \$118—\$110 a barrel. Oil would be about \$75 a barrel. Instead of paying \$3.60 a gallon, we would be paying more like \$2.40 or \$2.50 a gallon. That is what would happen.

It is critical we police these markets and we use this new rule and that consumers respond and that we do our job in the Congress in making sure Federal regulators are on top of what is an out-of-control oil market that is not based on supply and demand, that is based on some other market activity that cannot be explained. Where there is smoke I think there is fire. We certainly see a lot of smoke in the oil markets that I hope will lead the FTC to investigate vigorously, with this new rule, the potential manipulation and stop these practices to help save our economy and save consumers who are getting gouged at the pump.

We are going to continue next week by reminding our colleagues of what we need to do. We need to protect consumers by closing the Enron loophole. As I said, beef futures have all these requirements but oil doesn't. We need to require the oversight of all oil futures markets. This was No. 3 on our list, get the FTC to act with new rules. The FTC did it tonight, issued their rule. I have not even read it in full. I am going to do that as soon as I leave the floor. I am going to see how good the rule is in basically enforcing the power we gave them in the December 2007 Energy bill.

We need to get the DOJ in the act because I think the FTC, while they have the new authority, should be with the CFTC, they should work with the SEC. They did a great job on the Enron task force in compiling across multiple agencies the case against the manipulation of the electricity markets. They should do the same for the oil markets.

Then, as I said before, I think making sure the President has emergency authority on price gouging, such as 28 States do, is also an important tool, and I am sure we will be talking more about that in the future.

Bursting the energy price bubble is what we need to do. We need to burst the energy price bubble that we cannot explain. We do not know why it is there. It is not supply and demand. It is something else going on, and we need to get to the bottom of it. After Amaranth, pricing dropped to the lowest level in 2½ years after their getting out of the market, after their manipulation, after a hedge fund came in and tried to manipulate the natural gas market. When we saw the lowest rate for natural gas in 2½ years after we got that manipulator out of the market, it tells us we have to be vigorous in this battle. We have to be aggressive in protecting our consumers, and that is what the Senate is going to continue to do.

I know the Presiding Officer is on board in that effort. I know many of my colleagues are too. I know Senator REID is as well.

I encourage my colleagues to weigh in on this issue of the FTC rule and policing of the oil markets. I hope we have hearings in the Commerce Committee to do that and that we show the American public the Senate is serious about protecting consumers from the high price spikes in oil that cannot be described as simply market supply and demand.

I yield the floor.

Mr. President, 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.

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

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

ORDERS FOR FRIDAY, MAY 2, 2008

Ms. CANTWELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it

stand adjourned until 9:30 a.m. tomorrow, Friday, May 2; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that there then be a period of morning business, with Senators permitted to speak therein for up to 10 minutes each. I further ask that the filing deadline for first-degree amendments be 3:30 p.m. on Monday.

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



PROGRAM

Ms. CANTWELL. Mr. President, today we were unable to reach an agreement on the FAA reauthorization bill. As a result, Senator REID filed cloture on the substitute amendment and the bill. The cloture vote on this substitute will occur at 2:30 p.m. on Tuesday. There will be no votes tomorrow and, as previously announced, there will be no votes on Monday.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Ms. CANTWELL. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 7:33 p.m., adjourned until Friday, May 2, 2008, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF DEFENSE

SEAN JOSEPH STACKLEY, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE NAVY, VICE DELORES M. ETTER, RESIGNED.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

STEVEN C. PRESTON, OF ILLINOIS, TO BE SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE ALPHONSO R. JACKSON, RESIGNED.

DEPARTMENT OF STATE

LILIANA AYALDE, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PARAGUAY.

TATIANA C. GFOELLER-VOLKOFF, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KYRGYZ REPUBLIC.