

Mr. LEACH. Mr. Chairman, I rise in strong opposition to the amendment.

There is a great deal at stake in this controversy.

First is the damage that will be done to the environment by air pollution if the most populous state in the union is given an exemption from the oxygenate requirement under the reformulated gasoline program.

Second is the setback which will be given to our efforts to become more energy self-sufficient if this waiver is granted.

Third is the blow such a waiver will deal to the Midwest economy.

Any rational national energy policy must include the development and usage of alternative sources of fuel—from wind to water, sun to corn and beans—need to be explored, cultivated and implemented more rigorously. This amendment would move our energy policy in precisely the opposite direction.

From a Midwest view ethanol production provides a much-needed boost for the rural Midwestern economy. The USDA has determined ethanol production adds 25 to 30 cents to the price of a bushel of corn, and, according to a Midwestern Governor's Conference report, adds \$4.5 billion to farm revenue annually, creates 195,200 jobs, brings in \$450 million in state tax revenues, improves our balance of trade by \$2 billion, and saves the federal Treasury \$3.6 billion annually.

Promoting the use of ethanol in reformulated gasoline makes good sense environmentally, geostrategically and economically.

Again, I urge a no vote on this amendment.

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SECURING AMERICA'S FUTURE  
ENERGY ACT OF 2001

SPEECH OF

**HON. DARLENE HOOLEY**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 1, 2001*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. HOOLEY. Mr. Chairman, I have to admit I'm a little surprised the Administration has proposed an inadequate proposal to address our long-term energy needs. After all, both the President and Vice President have extensive experience in the energy sector. Quite frankly, I'd think they'd be a little more creative in their vision of America's future.

After all, a national energy policy is supposed to be predicated on the assumption that we need to increase supplies to mitigate demand. And to some degree, the Administration's plan is geared toward that end. However, given their experience in the energy sector, we ought to expect that.

But the cold hard fact is that the Administration sees drilling and mining as our only way to address our predicament. Personally, I disagree with the Vice President—conservation isn't a personal virtue. It's not only a proven method to increase energy supplies, but the

costs to the taxpayer to fund research in this field is a drop in bucket compared to the huge taxpayer-funded subsidies this legislation bestows on traditional industries.

Unfortunately, instead of debating a reasonable and prudent legislation, we have forfeited that option. Instead of making tough choices, we have before us a bill that too heavily focuses on oil, coal, and nuclear energy. This Administration simply isn't worried about giving equal consideration to promoting and encouraging energy efficiency, renewable energy, and conservation.

That's unfortunate for a variety of reasons. Not only does it defy common sense, but it defies a Department of Energy report issued last November demonstrating increased efficiency and renewable energy can meet 60 percent of the nation's need for new electric power plants over the next 20 years. Yet the recommendations in the report are nowhere to be found in this legislation.

Moreover, this bill grants billions in new tax breaks for the oil and coal industries—all of this in the wake of record profits for industry and record-high energy bills for consumers. Why are we providing "royalty relief" to the oil industry when, as the Wall Street Journal recently reported, the industry currently has more money than it can manage to spend? Why do they need royalty relief when they are making billions of dollars in profits from oil that is pumped from public lands and are more financially stable than ever before?

Finally, in this bill is a provision that authorizes oil production in the Arctic National Wildlife Refuge (ANWR). According to proponents of this provision, we need to drill in ANWR as a solution to our energy crisis.

Unfortunately, facts are stubborn, and the truth is we could have done more to lower our dependence on foreign oil by passing the Boehler/Markey amendment that would have increased fuel efficiency in SUV's than we could ever get from pumping every drop of oil from the coastal plain in ANWR. For a bill designed to reduce our reliance on foreign oil, it seems strange to me that the sponsors of this bill would object to raising gas mileage standards. Doing so is not only completely feasible, but once completely implemented this step would reduce our oil consumption by hundreds of millions of barrels a year. But the amendment failed and again we regress.

As such, I urge my colleagues to vote against this bill and let's work to create a comprehensive energy bill that is truly one for the 21st Century.

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SECURING AMERICA'S FUTURE  
ENERGY ACT OF 2001

SPEECH OF

**HON. J.C. WATTS, JR.**

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 1, 2001*

The House in Committee of the Whole House on the State of the Union had under consideration the bill, (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. WATTS. Mr. Chairman, the House of Representatives today is considering a comprehensive energy strategy to provide clean, affordable and available energy to all Americans. The president has put forth a sound initiative to meet our energy needs after eight years of neglect by the previous Administration. The House today is considering a forward-looking plan that confronts the energy crunch head-on and offers real solutions to our energy shortage, volatile prices and our dependent on foreign oil.

The Securing America's Future Energy (SAFE) Act is a balanced approach of conservation and production. It is good for the economy, as it will create jobs. It's no wonder the AFL-CIO and Teamsters' unions have thrown their support to our ideas. They, like many working Americans, know the value and importance of domestic energy production.

The SAFE Act helps modernize our aging energy infrastructure. In California, which has faced some of the most severe energy shortages in the country this year, they went without a new power plant for nearly twenty years. Playing catch-up should not be considered an energy strategy. We need 38,000 miles of new natural gas pipelines to move enough fuel to supply our energy needs. The SAFE Act will look ahead to the future and plan for the energy needs of today and tomorrow.

We should not wait for another crisis to formulate an energy plan. The time is now to correct the mistakes of the past and lay down sensible groundwork for the future. Reliable, affordable and environmentally clean energy should be first and foremost on our agenda. I urge the House to pass the SAFE Act.

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SECURING AMERICA'S FUTURE  
ENERGY ACT OF 2001

SPEECH OF

**HON. GERALD D. KLECZKA**

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 1, 2001*

The House in Committee of the Whole House on the State of the Union had under consideration the bill, (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. KLECZKA. Mr. Chairman, only a few short months ago, the members of this House passed, one of the largest tax cuts in over a decade. Now here we are again, debating an energy bill that is as fiscally irresponsible. Just two days ago, the U.S. Treasury announced that it will be forced to borrow \$51 billion to pay for the tax rebate checks, instead of paying down the debt as previously planned. The New York Times also cited the Bush Administration as saying that the surplus for this fiscal year could fall by \$120 billion below the January estimate. No matter how we slice it, the fact remains that the U.S. Government simply doesn't have enough surplus funds to pay for the recently passed tax cut as well as the tax breaks contained in H.R. 4.

Furthermore, H.R. 4 does little to solve America's long-term energy challenges. Its primary focus is on developing non-renewable

fuel sources, such as oil, natural gas, and coal, with a lesser emphasis on energy conservation and renewables. H.R. 4 gives over \$33 billion to energy companies in the form of tax breaks, all at taxpayer expense. About two-thirds of this tax break goes to oil and gas companies whose profits are at all-time record highs and some of whom have so much surplus cash they haven't yet figured out how to spend it all.

From 1999 to 2000, profits for the five largest U.S. oil companies rose 146%, from \$16 billion to \$40 billion. Exxon-Mobil reported yearly profits of \$17.7 billion. A July 30, 2001, Wall Street Journal article reported that, "Royal Dutch/Shell Oil said it was pumping out about \$1.5 million in profit an hour and sitting on more than \$11 billion in the bank." Even personal salaries for energy executives have skyrocketed. Yearly compensation for executives at the largest energy companies selling power to California rose an average of 253%, with one top executive collecting over \$100 million alone. With unprecedented increases in oil company profits, the industry clearly does not need financial assistance from Uncle Sam.

Not only is H.R. 4 fiscally unsound, but its provisions allowing drilling in the Arctic National Wildlife Refuge (ANWR) reflect an utter disregard for the preservation of America's last remaining untouched wilderness. ANWR is a pristine region, teeming with a wide variety of plant and animal species. To believe that we could drill in ANWR without causing irreversible environmental damage is, at best, overly optimistic. As recently as last month, a corroded pipeline in an Alaskan oil field erupted, causing 420 gallons of crude oil to spill onto Alaskan tundra. This spill is but one of many that have occurred in the 95% of Alaska's North Slope that has already been opened to oil development.

According to the U.S. Geological Survey, ANWR contains about 3.2 to 5.2 billion barrels of economically recoverable crude oil. Since the U.S. consumes about 19 million barrels of oil daily, or almost 7 billion barrels of oil annually, even with drilling at top efficiency, the coastal plain would only supply about 2% of America's oil demand. Additionally, if the total amount of oil in this area could be extracted all at once and the ANWR oil was used as the primary oil supply for the U.S., it would only last about 6 to 8 months. Destroying our environmental treasures in search of a quick fix to our energy needs is not the right course of action.

During debate on this bill, we will also consider an amendment to increase fuel efficiency standards for light trucks and sport utility vehicles (SUVs). Currently, the minimum average mileage per gallon (mpg) standard is 20.7 mpg for the fleet of SUV's produced by an automaker in a given year. The amendment would increase this to 26 mpg by 2005 and then to 27.5 mpg by 2007. This standard has not been changed in five years, and it is time that we allow it to be increased. While the underlying bill would decrease gasoline use by 5 billion gallons between the year 2004 and 2010, this amendment would create a savings of 40 billion gallons of gasoline over that same period. The amendment would increase the minimum average fuel efficiency standard of all cars and light trucks by only 1.3 mpg over

what the industry actually produced back in 1987.

Opponents of this proposal claim that raising these standards is not feasible and would result in a decrease in safety to SUV passengers. However, this is not the case. In fact, a competition recently sponsored by General Motors and the Department of Energy illustrates this point. Various engineering schools across the country competed to increase the fuel efficiency of one of the larger SUV'S, a Chevrolet Suburban. The winner, University of Wisconsin at Madison, increased the fuel efficiency of this vehicle to 28.05 mpg while maintaining the structural integrity and protections that vehicle affords.

In conclusion, passing H.R. 4 today would be highly imprudent. America's long-term energy needs would be better served with an energy policy that places greater emphasis on energy conservation and renewable fuel technologies.

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SECURING AMERICA'S FUTURE  
ENERGY ACT OF 2001

SPEECH OF

**HON. ROGER F. WICKER**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 1, 2001*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. WICKER. Mr. Chairman, I rise in support of H.R. 4. The most important action the Federal Government can take to stabilize energy prices for the American consumer is to develop and implement a coordinated, long-range national energy policy. H.R. 4 is the result of the hard work of five congressional Committees, who have incorporated conservation, environmental regulations, alternative energy sources, tax relief, and increased production to produce a comprehensive national energy plan.

In the foreseeable future, domestic exploration, and production of oil and natural gas will have a critical impact on our country's economy, stability, and international relationships. During the last 30 years, we have watched OPEC coalesce, fractionalize, and coalesce again. I do not think we will ever have more than a superficial influence over many of the OPEC nations. Libya, Algeria, Iran, Nigeria, and Iraq are not what I would call our allies. Why then should we place such heavy reliance on them to meet our energy needs?

The answer for the United States to the supply manipulations by the OPEC cartel is sufficient access to the best oil and natural gas fields here at home. That's why I strongly support the lease sale of area 181, and other tracts in the eastern gulf, and why I believe now is the time to open up area 1002 in the Arctic Coastal Plain of Alaska. While we may never be completely self-reliant for oil supply, we can make a dramatic difference by devel-

oping the resources domestically in a reasonable and responsible fashion.

Though domestic production is an essential part of the national energy policy, H.R. 4 addresses other variables that are vital to the full implementation of a coherent national energy plan. While most experts acknowledge that natural gas represents an abundant energy resource for the future, we must ensure there will be sufficient transmission capacity for this uniquely North American product 10 years from now. The regulatory obstacles to operating pipelines—much less constructing new lines—are too numerous to count. H.R. 4 recognizes these obstacles and includes incentives for companies to construct new lines and add capacity that will increase the reliability of America's utility infrastructure.

H.R. 4 creates a favorable tax climate that encourages increased production while also providing tax incentives for individuals and businesses to increase their conservation efforts.

H.R. 4 is a well balanced piece of legislation that draws upon conservation efforts, increased domestic production, and tax incentives to develop the beginnings of a national energy policy that will help decrease our dependence on foreign energy sources and help stabilize energy prices for the American consumer.

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SECURING AMERICA'S FUTURE  
ENERGY ACT OF 2001

SPEECH OF

**HON. EARL POMEROY**

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, August 1, 2001*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. POMEROY. Mr. Chairman, I rise today to oppose H.R. 4, the SAFE Act, which taps the Social Security and Medicare trust funds in order to pay for new energy tax incentives.

Mr. Chairman, I support many of the provisions in the SAFE Act. I am encouraged by a number of initiatives that combine incentives for enhanced production along with sensible conservation measures. I particularly support the investments in clean coal technology and the tax credits for wind electricity production, as North Dakota has an enormous supply of lignite coal and the greatest potential for development of wind powered generation in the country. But I am not willing nor is it necessary to invest in energy at the expense of Social Security and Medicare.

I think it is inexcusable that the Rules Committee refused to allow consideration of an offset amendment to protect Medicare and Social Security. I cannot support legislation that does not contain "pay for" provisions when the result is a direct raid of the Social Security and Medicare trust funds. That is unacceptable and I see no other choice but to oppose this bill.