

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.

I am also extremely disappointed that this bill leaves out an important segment of energy suppliers—public power suppliers and rural electric cooperatives, which serve 25 percent of the nation's power consumers. It is only logical that by including the maximum number of market participants in generation of renewable and clean energy production, we best equip ourselves to meet these goals.

I strongly support meaningful energy legislation that will offer more options and better solutions for my constituents and for all Americans. But I will not rob Peter to pay Paul and I oppose this raid on Medicare and Social Security. I am voting against the SAFE Act and I encourage my colleagues to join me.

SECURING AMERICA'S FUTURE  
ENERGY ACT OF 2001

SPEECH OF

**HON. SHEILA JACKSON-LEE**

OF TEXAS

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. JACKSON-LEE of Texas. Mr. Chairman, I rise to offer comments on H.R. 4, the Securing America's Future Energy Act of 2001. However, first I would like to thank House Science Committee Chairman BOEHLERT and Ranking Member HALL for their leadership in producing a bipartisan energy bill from the Committee.

The first hearing held by the Full Science Committee in the 107th Congress was on the issue of our nation's energy future. It was appropriate that the Committee review closely all portions of the Administration's energy plan in light of the heavy burden placed on the fiscal resources of the federal government because of the \$1.2 Trillion tax cut.

We can all agree that the United States does need to develop a long-term national energy policy. Our nation's energy priorities should remain constant regardless of the changing dynamics of energy supply. However, there are many facets to our nation's energy needs.

This nation is comprised of producer states and consumer states who must work together in order to resolve future energy needs. The energy portfolio for our nation must include fossil fuels, renewables, and nuclear power.

The bill that is before us today is a compilation of several efforts on the part of four separate House Committees to craft a national energy plan. The Science Committee contributed to this effort through enhanced research and development in oil and gas exploration, support of renewable energy, and increased opportunities for new technology on conservation, and a strong support of the environment. Rather than this disregard of the environment, we should work together to protect our precious environment.

I strongly believe that the best approach to our nation's energy needs is one of bipartisan

cooperation with a goal of ensuring long-term commitments to a national energy plan that reducing dependence on foreign sources of energy and enhances our Nation's productivity. For this reason, we must explore the potential that renewable energy technologies have to contribute to fulfilling an increasing part of the nation's energy demand and how that can occur, while increasing the economies, that can be reached through more efficient and environmentally sound extraction, transportation, and processing technologies.

I had an amendment that was incorporated into the final bill offered for inclusion into H.R. 4 that created a Secondary Electric Vehicle Battery Use Program in the Department of Energy. This new program is designed to demonstrate the use of batteries previously only used in transportation applications in secondary applications, including utility and commercial power storage and power quality. The program would also evaluate the performance of these batteries, including their longevity of useful service life and costs, as well as the required supporting infrastructure to support their widespread use.

I found that at the "end-of-useful-life" of a battery system that is used in an electric vehicle (EV), that battery system still retains 80 percent of its initial capacity. However, the battery system is no longer useful in the EV because it has lost power capabilities that are required to run the vehicle effectively. In many electric utility applications, only the capacity from a battery, not capability, is required. This situation presents an opportunity for furthering the use of electric vehicles while finding a secondary market for the batteries used for transportation purposes.

The high vehicle prices for the initial series of electric vehicles, along with a lack of consumer familiarity and limited driving range, have greatly restricted consumer acceptance and prevent successful market penetration. In turn, manufacturers refuse to produce greater numbers of EVs, having reached conclusions that the costs are too high and the market too limited. The cycle of high costs and limited sales is broken only if costs are reduced and/or volume is increased dramatically. While it is estimated that prices for batteries begin to fall when the volume reaches 10,000 packs per year, auto manufacturers believe that volume alone cannot address the prohibitive costs of advanced technology batteries necessary to create consumer demand for EVs because the materials needed for such batteries (e.g., nickel) are expensive. Currently, there are a total of approximately 4,000 EVs on U.S. roads.

To assure volume sales of EVs, a dramatic reduction in the cost of batteries is required. An innovative approach to addressing this issue may be to "extend" the life—or value—of the batteries beyond vehicular use. Once the batteries have been "used" in a vehicle, there is an opportunity to refurbish, then "re-use" the batteries in a stationary application. For example, electric utilities could "re-use" EV battery packs in peak shaving, transmission deferral, back-up power and transmission quality improvement applications. If successfully demonstrated for secondary, stationary-use applications, the effective price of battery systems are projected to make EVs more competitive.

I along with Members of the Congressional Black Caucus have serious concerns regarding the balance shown in the drafting of this legislation. We must be sure to ensure the interest of those who have the least in our society. For this reason, the CBC sponsored a number of amendments to H.R. 4.

Two of these amendments offered were to ensure the Low-Income Home Energy Assistance Program (LIHEAP) continues to provide help to those who are the most vulnerable in our society. The first amendment would make sure that all funds expended for LIHEAP in this bill will remain available until used. This amendment also adds report directives to a GAO report being requested to include an assessment of how a lack of energy conservation and efficiency education can impact on energy conservation of program beneficiaries. This amendment would also request that information on the conditions of structures that receive LIHEAP funds could impact energy efficiency.

The initial GAO report only requested information on how LIHEAP funds discourage energy conservation, and asks how direct payments not associated with energy needs may effect energy conservation.

The second LIHEAP amendment would allow program funds to be used to ensure the retrofitting of homes that receive federal assistance. This will address issues of structural problems that often exist in the homes of those who must sustain themselves on limited and often inadequate incomes. This amendment would allow homes in communities to retain their tax value, which would benefit the community as a whole. Often times homes are in need of roof repair in order to be able to place insulation.

Unfortunately, the Rules Committee only found the LIHEAP amendment that produces a GAO study in order for consideration by the full House today. I would like to stress that as we make our nation's energy future more secure, we must make sure that every American household is secure in the fact that they have access to affordable and reliable energy.

I believe that the effects of rising energy prices have had and will continue to have a chilling effect on our nation's economy. Everything we as consumers eat, touch or use in our day to day lives have energy costs added into the price we pay for the good or service. Today, our society is in the midst of major sociological and technical revolutions, which will forever change the way we live and work. We are transitioning from a predominantly industrial economy to an information-centered economy. While our society has an increasingly older and longer living population the world has become increasingly smaller, integrated and interdependent.

As with all change, current national and international transformations present both dangers and opportunities, which must be recognized and seized upon. Thus, the question arises, how do we manage these changes to protect the disadvantaged, disenfranchised and disavowed while improving their situation and destroying barriers to job creation, small business, and new markets?

One way to address this issue is to ensure that this nation becomes energy independent through the full utilization of energy sources within our nation's geographic influence.