The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

EXTENSION OF MORNING BUSINESS

Mr. CRAPO. Mr. President, I ask unanimous consent that the period for morning business be extended until 2 p.m. with Senators permitted to speak therein for up to 10 minutes each.

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

Mr. CRAPO. 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.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

STARTLING ENERGY FACTS

Mr. MURKOWSKI. Mr. President, I rise to share with my colleagues circumstances that should be evidenced in prompt action on the energy bill which has been introduced as a bipartisan bill by Senator BREAUX and myself, Senator LOTT, and a number of other Senators.

I have said for some time that we have an energy crisis in this country. Let me share some startling facts.

The majority of the Fortune 500 corporations in this country, reporting fourth quarter earnings, have indicated their earnings have come in far less than projected as a consequence of the increased cost of energy in this country. There is a multiplier associated with that.

This has an effect on inventories, an effect on transportation, on virtually every facet of our economy from buying furniture to big-ticket items such as automobiles. Think for a moment that 50 percent of the homes in this country are dependent on natural gas. The average billing for energy for those homes has gone up 50 percent in the last year. There is no end in sight.

We have a situation where companies that traditionally make fertilizer—urea, the technical name—and use natural gas in the conversion of the fertilizer are no longer making fertilizer. They are reselling their supply of gas because they have some relatively low-cost gas sources. We have aluminum companies in the Northwest that are no longer manufacturing aluminum. They have shut their aluminum production down and are reselling their electricity because they have long-term contracts at favorable rates. In other words, it is cheaper to resell the power than it is to make the aluminum from the standpoint of return on investment. We have in Colorado copper mines that are no longer operating as a consequence of the cost of power. More and more people are becoming unemployed in these industries as a consequence of a lack of an energy policy.

It is not my intent to point fingers because that doesn't get us anywhere. We have to recognize that we have a crisis, and we have to recognize how we are going to get out of it. We are not going to get out of it by drilling our way out, nor are we going to get out of it by conservation. We are going to have to go back to the basics of our conventional energy sources, as well as the prospects for greater dependence on alternatives and renewables, and recognize the use of our technological capabilities to achieve a balance because our energy supply is out of balance.

We haven't built a new coal-fired plant in this country since the mid 1990s. Why? A number of reasons: Permitting, costs, the problems associated with removing high sulfur, and the realization that we have had to take many of our old coal-fired plants, which became inefficient and no longer could meet permits, out of the mix.

We haven't built a new nuclear plant in this country in nearly 20 years. Why? It is not because we don't have the technology. Nuclear contributes about 20 percent of our energy. It is emission free. The reality is that we have not been able to address what to do with our nuclear waste. We can't come to grips with the technology or with how or where we are going to dispose of it. As a consequence, nobody in their right mind would build a nuclear plant in this country. We talk about hydro, but we have limited the hydro available. We are debating whether to take some dams down, but there is a tradeoff. If you take the dams down, you eliminate the ability to move traffic by barge, so you put it on the highways.

So we have turned to natural gas as our preferred source of energy. A year ago, natural gas was about $2.16 per thousand cubic feet; now it is $8 or $9, and it has been up as high as $10. The point is that we are pulling our natural gas reserves down at a very rapid rate. The realization is, as we have seen in the California dilemma where they have become dependent on outside energy sources within their State of about 25 percent, the danger of becoming dependent on outside sources.

Let me conclude with a reference to oil, which is something I know something about. Currently, 56 percent of our oil comes from overseas, primarily the Mideast. The CSIS study shows that for the next decade we are going to increase our dependence on hydrocarbons. That doesn't mean we are not conserving more, or should not, or develop more alternatives. The realization is we are simply using more energy. Society moves by computer and e-mail, by technology, and it is fostered by energy.

The picture I am painting today is not very pretty, but there is one more facet of concern to this Senator from Alaska. When do we begin to compromise our national security interests by increasing our dependence on imported oil? I have said this in this Chamber on many occasions, and I will say it again.

If we look at our policy toward Iraq, a country we fought a war against in 1991 and 1992 to ensure that Saddam Hussein didn't invade Kuwait and go on into Saudi Arabia and basically control the world's supply of oil, isn't it ironic that since that time we have flown over 20,000 sorties, enforcing the no-fly zone, and the cost of that to the American taxpayer is difficult to calculate. You might say it is a Pentagon energy tax, but it costs each one of us to enforce that no-fly zone.

The other day, the raids in the northern part of Iraq were carried out to destroy Saddam Hussein's technical capability that he developed with his radar sensing system, which endangers our aircraft and our pilots. If you look at that scenario—and I have said this before—we seem to have an arrangement where we buy his oil, 750,000 barrels a day, and we put it in our airplanes, and then we go bomb him. That may be an oversimplistic statement, but I think it is fairly accurate.

What does he do with our money? He develops his missile capability, the delivery capability, and his biological capability. At whom is it aimed? Our greatest ally in the Mideast, Israel. So we have some inconsistencies.

I was asked the other day to explain at what point I thought we would compromise our energy security interests by increasing our dependence on imported oil from the Mideast. I thought for a while, and I responded by saying: I guess we have already been there. We fought this war and lost 147 lives. We have had 427 wounded. Now, the Department of Energy says we are going to be close to 63-, 64-, 65-percent dependence in the early years of the 2007 period, or thereabout. If we are going to increase that, at what point are we really vulnerable to being held hostage by the Mideast, Mr. President?

What does that mean? Well, it means that since we have become so dependent on one source—the Mideast, which is a very unstable part of the world—we face the reality of them controlling the price to the point where they can pretty well dictate the terms of our addiction to oil. They can do that simply by reducing the supply at any given time, and they have shown the discipline to do that. As a consequence of that, they can increase the price.