

California. It is this inventiveness that led to Reliant's 2,000 percent increase in its profit.

Mr. Speaker, last night, several Members from the other side of the aisle came down to this floor to attack me personally, and that needs no response, and to attack my State. They came down here to say that the problems California faces are our own fault; that we prevented the building of electric plants in California, which is totally false and which has not one scintilla of evidence behind it.

They talked about how our opposition to offshore oil drilling is somehow responsible for electrical shortages in California without even knowing that we do not use oil to generate electricity in California, nor are we about to, nor do any of the other States with similar air pollution problems. They came down here in total ignorance of what is happening in California.

Now, I do not blame them for their ignorance. After all, I am not terribly knowledgeable of what is happening in all the other States. But what bothers me is that someone with so little knowledge of what is happening in California would come down here and say that our misery represents justice and that our efforts to solve our own problems should be barred by Federal law.

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But of course that is what is happening when Federal law prevents California from imposing even the most reasonable of regulations on the price of these independent energy producers.

Mr. Speaker, imagine that your home is burning down. The gentleman might have a neighbor who for one reason or another does not help. That might be okay. But imagine the most malevolent of neighbors who seizes the hose while the house is burning, and then gives a lecture how it is the gentleman's fault because the house is on fire, while continuing to hold onto the hose.

Mr. Speaker, California is burning and the hose is the right to regulate the price of electric generation, and the hose is being held captive here in Washington, DC. We have an administration which is hosing us down with self-righteous declarations that our misery is our own fault.

Mr. Speaker, if you want to know where something is made, check the tag on the bottom. California consumers are going to look at their electric bill, they will look at the tag, and it will say "Made in Texas under license from Washington, DC."

NATIONAL ENERGY POLICY

The SPEAKER pro tempore (Mr. GRUCCI). Under the Speaker's announced policy of January 3, 2001, the gentleman from Wisconsin (Mr. KIND)

is recognized for 60 minutes as the designee of the minority leader.

Mr. KIND. Mr. Speaker, some of my colleagues who will be joining us this evening will continue our discussion that we had last week in regards to our national energy policy.

Mr. Speaker, most of the Nation and the world realizes that the Bush administration has come out with a detailed plan that they announced last week. The Members of the new Democratic Coalition in the House have an energy plan that we announced last week, announcing principles, values, and policy statements that we want to work on as we move forward in this session of Congress to try to find some long-term solutions to our 21st century energy challenges. We do face challenges as we start this new century; and hopefully we will find some solutions to these challenges.

That is why we in the Democratic Coalition believe that the best approach is one that calls for balance. We are not going to turn our short-term energy needs and dependence on fossil fuel and the burning of fossil fuels, turn that around overnight, but any sensible and reasonable long-term energy policy, and hopefully we will enact in legislation later this year, is going to be looking at the development and use of modern technology, the use and greater reliance on alternative and renewable energy sources, the importance of investing in the current energy infrastructure that we have in this country which has become very outdated, and trying to figure out how we can move energy more efficiently and cost effectively in areas of surplus to areas of deficits.

Mr. Speaker, these are some of the areas that we hope to elevate in the national debate and engage the American people on. I also want to take exception to a couple of proposals that the Bush administration announced last week. They said all of the right words, and there is a lot of good statements in the energy plan that they sent up to the Hill in book form, National Energy Policy.

A couple of concerns that I personally have is that they are relying a tremendous amount in their energy solution on the development of more exploration and more drilling in one of the last pristine places in the United States, the Arctic National Wildlife Refuge, ANWR.

I am ranking member on the Subcommittee on Energy and Mineral Resources in the Committee on Resources here in Congress. We have had eight hearings already on energy resources on public lands. Many Members in this Chamber would be surprised to learn that roughly 95 percent of our public lands are already open and available for energy exploration. In fact, we had one of the largest expansions of public land access over the last 8 years in the Clinton administration.

Instead of trying to develop those resources that are already available and that the infrastructure needs to be developed in order to extract, the new administration wants more, more drilling and more drilling in one of the most protected and pristine places in the United States, the ANWR.

In the energy plan, the administration also says the right things in regard to the need to develop alternative renewable energy sources. When you look at the details of the energy proposal, that investment would only occur after oil is drilled and extracted from the Arctic National Wildlife Refuge. In fact, it is from the oil royalties collected from the drilling of oil in ANWR that would then be used, at least partially, in order to fund the alternative and renewable energy research and development that needs to take place in this country. I find that a little disheartening.

Mr. Speaker, Republicans are trying to convince the American people that we are for this, too; but only after we have more reliance on the fossil fuel development, more reliance on the drilling of oil up in the Arctic National Wildlife Refuge, rather than treating it as a stand-alone part of the puzzle that it deserves to be.

In fact, if you were to match the administration's record on their energy proposal with the priority that they established in the budget that they submitted to the Congress earlier this year, the rhetoric, quite frankly, does not match the action. In fact, when one looks at the energy efficiency program at the Department of Energy, the new administration is proposing a \$20 million cutback from the previous year's level.

On the R&D programs at the DOE, there is roughly \$41 million or a 23 percent cutback on the R&D programs at the DOE. These R&D cuts include a \$48 million cut in buildings, research and standards programs; a \$12 million cut in the Federal energy management programs; a \$61 million cut in the industry programs; a \$16 million cut in transportation programs; over \$3 million in policy and management of alternative and renewables.

When you look at the energy program that exists, the administration is calling for roughly a 36 to 50 percent cut across the board in most of these programs: 48 percent less with the wind-power program; 48 percent less with the geothermal power program; 48 percent less in the development of hydrogen energy sources; 86 percent less for concentrating solar power.

Obviously there is a mismatch between the rhetoric and the administration's energy plan and what they submitted in the course of their budget proposal this year in Congress. We are hoping to work with them.

Mr. Speaker, energy should not be a partisan issue. We need to find a bipartisan solution to an issue that affects

all regions of the country, whether East Coast or West Coast or middle of America which I represent. This is having an impact on people with fixed incomes and on economic growth in this country.

California, if they were a stand-alone country, would be the fourth largest economy in the entire world; and yet that State is experiencing rolling blackouts. It is going to take a concentrated effort at the local, State, and Federal level to find some long-term solutions.

That is why we in the Democratic Coalition are advocating both balance in our energy approach but also greater reliance on the technology that is available and being developed today and the potential of increased energy efficiency, whether in our homes, businesses or cars that we use to get around this country.

That is the type of bipartisan, balanced approach that we are hoping to be able to work with our colleagues across the aisle in this session of Congress, with the new administration. The energy plan that they submitted last week, albeit a starting document, has a lot of good features in it, but also a lot of features which require more scrutiny and closer debate, not the least of which is giving the FERC eminent domain power to force States in where they are going to locate their transmission lines.

I personally am reluctant to give that eminent domain authority to a Federal agency, basically dictating the States and localities where their energy lines are going to have to run. That is going to require extensive debate at the local level to find the best route for many of these transmission lines that most of us agree are needed to meet the long-term energy needs. We are hoping during the course of the next hour to get varying viewpoints and different ideas.

Mr. Speaker, let me recognize the gentleman from Connecticut (Mr. LARSON), one of the foremost thinkers when it comes to fuel cell potential in this country, someone who has been working in a bipartisan fashion with a very good piece of legislation.

Mr. LARSON of Connecticut. Mr. Speaker, I could not agree more with the gentleman's idea of balance.

I think it is also important that, as the gentleman from Wisconsin (Mr. KIND) indicated, it is important not only that we do this in balance, but we do this bipartisanly. Certainly energy is not a partisan concern. It is something that we all share.

Mr. Speaker, I believe that it starts with the concept of becoming independent: becoming independent from the foreign suppliers of our energy. And so in seeking to become energy independent, we have to move to alternative sources. We have to be willing to embrace conservation at the very

core of what we are going to do, understanding that it is very hard in principle and that there are limited resources throughout the world and that we have an overriding responsibility, being large consumers of energy ourselves, to conserve here in this Nation.

We also have a responsibility to make sure that we are moving forward technologically in the most efficient manner. It seems to me with the over preoccupation and the emphasis on more drilling, that we are fighting yesterday's wars and yesterday's battles. What we need to do is move forward aggressively and embrace the technology that can truly make us energy independent.

President Kennedy was able to establish a goal for this Nation. He said back in 1960 that we ought to be able to put a man on the moon in 10 years. With American ability, intellect and know-how, we were able to achieve that goal. We need to establish the same goal here in this country by simply stating that we will be energy independent from foreign sources in the next 10 years, so that by 2011 we will no longer be dependent upon OPEC nations.

Coincidentally as we have seen in the past, when Americans embrace alternative and renewable energy, and we put the full weight of this Nation behind a concept and an idea, the price will automatically be driven down in terms of the current cost of oil.

We find ourselves in an awful situation, not only on the West Coast, but all across this Nation as we look at the price of oil. When my colleagues consider just in 1999 that the cost of oil was \$60 billion annually to this country, it now costs this Nation \$120 billion.

Mr. Speaker, I am proposing that we invest 1-120th of that, \$1 billion, into fuel cell research. Why fuel cells? Fuel cells are just a small part of the larger picture, along with conservation, along with nuclear power, along with making sure, as the gentleman from Wisconsin (Mr. KIND) pointed out, that we take advantage of existing drilling opportunities that are in this country and not open up new, virgin territories and virgin land, but focus on a technology that can provide us independence from foreign competitors and inefficiencies that we see in the old economy, and also independence from the awful effects that happen from pollution.

Fuel cells, for example, can relieve the atmosphere of more than 2 million pounds annually of CO₂ that are currently spewing into the environment. They can also remove more than 40,000 pounds of noxious pollutants that are unnecessarily being spewed into this atmosphere. It is our moral responsibility to make sure that we are stepping forward to do this.

If we do not embrace the plan, if we do not make the investment, as the

gentleman from Wisconsin pointed out, those moneys to fund this cannot come from expansive drilling in the ANWR, they have to be the commitment of the United States Congress.

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We are the appropriators. We should be making sure that we are making this investment now to be energy independent, to be more efficient and to protect our environment by embracing technologies like this that will allow us to move forward in the future, so that we will find our senior citizens, as the gentleman pointed out, in Wisconsin and California and in Connecticut that do not have to make the decision between the food they are going to put on their table, the prescription drugs that their doctors have asked them to take, and the energy that they need to heat and cool their homes and propel their automobiles.

This technology, with fuel cells, we can get 80 miles to the gallon in an SUV. We can run silent. We can run clean, the by-product of which is vapor. So with the green energy, with this new technology, with the willingness for us to roll up our sleeves and invest in a new technology that is both clean, efficient, and will provide us with this independence that we need from foreign sources is the way for this Nation to go.

We have started down this path before with respect to renewables. Coincidentally, when the Nation moves forward aggressively and starts to embrace these alternatives, what we see is the market respond by the lowering of the cost of oil and its production.

I believe the best way to lower costs immediately is to aggressively pursue those kinds of policies; but this time the United States must be committed to achieving that goal by the year 2011 of being energy independent, and if we stick to that course not only will we drive down the costs in the short term but in the long term we will be independent of our reliance on foreign products. We will be independent of the old inefficiencies that have hurt our economy, and we will be independent of the disastrous effects that have enveloped our entire environment.

I thank the gentleman again for his leadership and look forward to working with him, and compliment my other colleagues.

Mr. KIND. May I ask a question before the gentleman leaves?

Mr. LARSON of Connecticut. Yes.

Mr. KIND. Am I correct in stating that the space shuttle is already being fueled by fuel cells?

Mr. LARSON of Connecticut. The gentleman is absolutely correct. This is a technology that has been around for more than 40 years. We all know that the Apollo was powered by fuel cells; that we have the ability to go to the Moon and Mars and beyond. And

certainly if we have the technology to go to the Moon and Mars and beyond, we have the technology available to get back and forth to work and to heat and cool the buildings that we live in and the buildings that we use.

This is not something that has to be created. This is something that we need to make sure we are producing more of. By utilizing the Federal Government and State and local municipalities through pilots and saying, look, we will provide the incentives to power the fleets of automobiles, to make sure that the school buses, the military buses, the mail trucks are powered by fuel cells, to have alternative sources and backups of fuel cell power buildings where we know that the energy shortage cannot afford to be derailed at all but there must be continuous operation, that the fuel cell is the most dependable way for us to achieve this goal.

There are other alternatives out there. The gentlewoman from California (Ms. LOFGREN), one of our colleagues, has introduced legislation on fusion. There are other great sources of renewables. Combined, together, I think we have a great opportunity to achieve that goal by 2011.

Mr. KIND. The gentleman mentioned the by-product of fuel cell use is hydrogen and oxygen. Basically, it is water vapor?

Mr. LARSON of Connecticut. Basically it is water vapor. The newest technology with respect to fuel cells is taking advantage of our most abundant element, making sure we are taking advantage of hydrogen. It is the most abundant element we have here in our universe, so let us capitalize on that, let us utilize it in a scientific manner and apply the great American know-how of turning this around.

Our foreign competitors in both Japan and Germany are already further along in terms of automobile production, especially in the use of fuel cells, but give America the research and development opportunities, provide our great research universities, provide our great corporate entities with the opportunity to get not only the backing of R&D dollars but the commitment of the Federal Government to produce so that we can streamline activities and drive the cost of production down in the long term, and then we will wean ourselves off of dependency on foreign governments.

Mr. KIND. Reclaiming the time, I want to thank my friend, the gentleman from Connecticut (Mr. LARSON), for his insight and the leadership he has shown on this and many other areas of energy policy. Hopefully, we will get enough support with the legislation he has introduced so we will have serious policy enacted in this Congress in the further development of fuel cell, the potential that fuel cell holds for our long-term energy needs.

Mr. LARSON of Connecticut. I look forward to continuing to work with the gentleman from Wisconsin (Mr. KIND) in his outstanding efforts in the area of energy, conservation, and making sure that this environment is one that is livable and safe for all of us. These are the citizens that we were sworn to serve and protect. I think it is incumbent upon Congress, it is a moral responsibility as much as it is a legislative responsibility, for us to move forward along these lines. I commend the gentleman for the leadership he has provided.

Mr. KIND. Mr. Speaker, I thank the gentleman from Connecticut (Mr. LARSON) for his comments.

Mr. Speaker, next I would like to recognize another colleague of mine who has been living and been experiencing some of the most difficult energy challenges we face in the country today. Of course I am referring to the gentleman from California (Mr. SHERMAN), whose State and constituents have been experiencing from time to time the rolling blackouts. In fact, some of our economic development coordinators in the upper Midwest are kind of targeting the businesses in California with the slogan, "We may experience an occasional whiteout in Wisconsin but never a rolling blackout." That is really what is at stake right now is the further economic growth and development in the State of California, and I recognize the gentleman from California (Mr. SHERMAN) for his comments tonight.

Mr. SHERMAN. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. KIND) for yielding.

I agree about the importance of bipartisanship. I came to this floor last night with intensity, as any of us would have intensity if we were living through what California is and soon will be living through.

What was missed was I was here chiefly to support a bill submitted by the gentleman from California (Mr. HUNTER), from the San Diego area, one of the more conservative Members on the other side of the aisle. This is a bipartisan Hunter-Eshoo bill. We need it passed only for one reason, and that is the repeated pleas of our Governor and our entire State government to the Federal Energy Regulatory Commission have been ignored.

We have asked the Federal Energy Regulatory Commission, look, since we are prohibited by Federal law from imposing reasonable costs-plus-profit regulation on what is being charged at the wholesale level, they, as is required by law, should do it.

FERC has closed their eyes to what is happening, and we in California have been FERCEd. Instead, we need a Federal Energy Regulatory Commission that does its job or a Congress that is willing to make sure that California gets the kind of regulation that so

many other States already have; that we in California had for about 100 years successfully; that we have made the mistake of going away from and that we need to get back to for a couple of years. That is why the Hunter bill simply provides that for a temporary period California will get the same kind of rate regulation that so many of our States are enjoying now.

Instead, we are being told that California should be crucified on an altar of near-religious zeal, near-religious dedication to a deregulated market. We are told that if the wholesale price of electricity is regulated, we will get less of it. This is true if one has only taken Economics 101. Economics 101 would say if one pays more for something they will get more of it, more will be produced. But one has to take the upper division courses as well, and they have to learn the policies of those with monopoly power, and then they discover that sometimes what is supposed to happen does not happen.

In fact, the California Public Utilities Commission determined that because we have this enormously high price, this deregulated price, plants are being closed for maintenance. Why? Well, think about it. If one has regulated production and they can make a megawatt for \$30 and sell it for \$50, they would say, I want to do that all day every day as much as I can, make \$20 on every transaction. But what if they have a deregulated market where it costs \$30 to create a megawatt and instead of producing all that can be produced and making all the \$20 profits that could be made, the production is suppressed? Then the price goes not to \$50 a megawatt but \$500 a megawatt.

Obviously, the incentive is to withhold production under this deregulated system with monopoly power; and that is why virtually all elements of California society, including not only a majority of the delegation from California but some prominent Republican conservatives, have urged that we have this temporary regulation.

Instead, we are told Washington knows best; they have to be told that it is their problem, solve it, but they will be tied up by Federal preemption law that does not allow them to solve it; and in that way they will have this enormous transfer of wealth.

We paid \$7 billion for electric generation in our State in 1999. In 2000, we used the same amount of electricity. We paid \$32.5 billion. This year, we are going to be charged \$70 billion for the same amount of electricity that we paid \$7 billion for in 1999. All that is going to a few very large corporations which happen to be based in Texas.

I do have a couple more comments. I will ask the gentleman from Wisconsin (Mr. KIND) whether it is appropriate to continue, and he is nodding, yes, because I want to talk about conservation a bit and how important it is.

We are told by the Vice President that conservation may be a personal virtue, but it is not a sufficient basis for a comprehensive energy policy. We have to respond. Environmental degradation and enormous energy company profits may be politically profitable, but they also are not a sufficient basis for a comprehensive energy policy.

The gentleman from Wisconsin (Mr. KIND) went through the list of how this administration's budget cuts money for renewables, for conservation, for research.

I want to point out that those cuts that he enumerated so clearly, those very deep cuts, are a cut of the current year's fiscal budget. But what about the prior years? In each of the 6 years of Republican Congresses, President Clinton's budget request for conservation, for renewables, for research was cut by this Congress. So we start with 6 years of research lost, 6 years of opportunity behind. Then we get to the current year, and we get a budget that slashes from even the depressed levels of the current year. Then after that budget resolution is passed, we get a glossy pamphlet from the administration saying that they are now in favor of spending money, billions of dollars, on research, on conservation. Where is that money supposed to come from?

The budget resolution does not provide it. The appropriations bills will not provide it, and we are in a situation where perhaps we have an administration that has a reason to hope for blackouts because in the light of day it is obvious that one cannot claim they are in favor of something and put out a glossy pamphlet describing how they are going to do something if they will not budget for it and they will not appropriate for it.

Mr. KIND. Mr. Speaker, reclaiming my time. That is one of the great ironies of the Bush administration's energy plan is they, first of all, came to power this year claiming this was not their responsibility; it was because of a deficient energy policy over the last 8 years; and yet many of the recommendations that are contained now in their energy proposal they released last year are carbon copies of what the Clinton administration was advocating during the 8 years but stymied by the Congress and action was not taken.

In fact, when we take a look at the detailed budget proposal that the Bush administration submitted, obviously when one has a 48 percent cut in the photovoltaic area, 48 percent in wind, 48 percent in geothermal, 48 percent in hydrogen, there was not a lot of energy or thought being given into these cuts. Otherwise, one just would not have straight-across-the-board 48 percent reductions in all of these alternative and renewable programs.

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So it is a little bit troubling.

But what I would like to do right now, since I know the gentleman has been waiting and has to leave for another meeting, is recognize the gentleman from North Carolina (Mr. ETHERIDGE), my good friend, who is one of the more thoughtful thinkers when it comes to energy policy and our long-term energy needs in this Congress. I yield to the gentleman.

Mr. ETHERIDGE. Mr. Speaker, I thank my friend from Wisconsin. I thank the gentleman for having this Special Order tonight because I think this is one of the issues, along with the issue we were debating today on education, these are two of the most important issues that we will be dealing with in this Congress.

I, like the previous speakers, will try not to plow some of that ground again, as my folks in North Carolina say, but the truth is, the gentleman has articulated very eloquently the issues before us and the problems we face. Let me touch on it a little differently, because I was very disappointed as I went through that document last week, the energy plan the President put forward. It was light on efficiency and conservation and heavy on drilling. We all know we are going to need more capacity. There is no question about that. I think we acknowledge that jointly. But the issue is, how do we get balance in it?

As an example, in this country, certainly in my State, in the Southeast, natural gas prices have gone up 400 percent in the last 18 months. There is nothing in this plan to talk about how we are going to deal with that in the short run. What are we going to do for the people who are hurting?

I stopped to get gas last weekend at the service station. A guy pulled up behind me and he recognized me, and he said, Congressman, what are you going to do about these gas prices? I said, well, in the short run, it is really up to the executive branch. The President is the one who can go to the Strategic Oil Reserves.

I remember when Governor Bush was running for President, he called on the President to pick up the phone and call the people in OPEC to open the spigots for the short term. We went over there in the sands of the Middle East and recovered the oil wells from Saddam Hussein. I believe if he picked up the phone, he could make that call.

Now, I do remember reading this week that the Vice President said he did not want to make that call, he did not want to beg. Well, the people in my district do not care how he gets the gas, they want it. That is not begging. I think it is just folks reminding them that they have an obligation to help keep the prices down.

Let me tell my colleagues what this will do for the people not just in North Carolina and across the Southeast, but all across America, because gasoline

prices have gone up more, more than what the average taxpayers are going to get back out of this tax bill that they have been pushing all year. The increase in gasoline prices will soak up a \$300 to \$400 increase per individual for an automobile if they have to drive to work on one tank a week, and the tank costs \$25.

In my part of the country, a lot of people commute to work. They do not have the benefit of mass transit. They do not have the opportunity of alternative ways to travel. I just think it is important that we look at the short run as well as the long run. We need to look at the alternative energy sources.

Mr. Speaker, I serve on the Committee on Science, as does the gentleman from Connecticut (Mr. LARSON), who talked earlier. I will only repeat one part of what he said, because I think it bears repeating here when he talked about the fuel sales, but it is bigger than that. It really is our commitment to really be serious about this issue. If we are not going to spend the money on R&D, on the things that we know we can make a difference within the long run, I do not know that we can ever have enough drilling in the future to provide the energy resources we need, unless we are willing to find the alternatives, to find the efficiencies and do the important things we need to do.

The farmers I have talked with back home are now out in the field, as I am sure they are in Wisconsin and California and other parts of this country. They are facing a tough summer because the energy costs have gone up for equipment, for irrigation. We know the problems in agriculture today. Commodity prices are down, and they are going to be squeezed all over again. But this year, it will be everyone who is going to be squeezed. Small business people, large businesses and others are being squeezed.

Last winter I know we had one fertilizer company who sold their natural gas, and guess what happened to the cost? So they were not making fertilizer, they waited until later to do it, and guess what happens to nitrogen prices this summer? The prices went up, so the farmer got caught twice.

One other point I want to make as we talk about this whole energy piece, and I am sticking mostly to gasoline and transportation, since my colleagues have talked about the other pieces, we tend to forget sometimes what this means to the public purse. Let me just use North Carolina as an example, because we have a State public transportation system for our children going to school. The State operates that system and buys the gasoline. Now, normally they buy it a year in advance on contract. However, it has gone up dramatically, and that is going to affect State treasurers all across this country; whether they are private or public, it will send the cost up.

What we are really doing is driving the cost up of everything we purchase, and eventually it is going to show up in the marketplace of all of the products we have that are petroleum-based, and that will have an impact on our overall economy and could have a negative impact.

So I call on the administration not only to look at the long term, but let us look at the short-term things, the efficiencies, the economies we can do, encourage people to conserve where they can, do the carpooling we need to do. It is going to take a concerted effort. But we need to spend the R&D money to find the new ideas to make the big difference down the road in the long run.

I thank the gentleman for his time, and I thank him for taking time to bring this to our attention tonight, and I appreciate having an opportunity to join my colleagues.

Mr. KIND. Mr. Speaker, I thank my friend from North Carolina for his comments and insight today and for his participation in this discussion. He raises a lot of valid points. Those who are most adversely affected by the increased energy costs, whether it is in the western part of the State or the eastern, are small business owners, operating on the margin and people on fixed incomes. When they see an energy blip, it has a huge impact on their family budgets. It is the farmers who are getting hit with not only increased energy costs, but also increased fertilizer costs, which is a terrible problem for them.

That is why we need a comprehensive, long-term solution and not something short term that calls for more drilling, and that is going to take about a decade before we get the increased reserves to the marketplace to make a real difference.

Mr. ETHERIDGE. Mr. Speaker, if the gentleman would yield on that point, the point the gentleman just made, we will be back on this floor in the next month or so, and we will see substantial increases in LIHEAP funding for people on fixed incomes over the winter, and I predict that that number will go up and it will have to go up again if this continues, if we do not deal with the short-term issues. I thank the gentleman. He is absolutely right.

Mr. KIND. Mr. Speaker, I thank the gentleman for participating tonight.

I think the overall theme in tonight's discussion is we are looking for 21 century solutions to the challenges we are facing in this century and not a throw-back plan that would be better suited for the 19th century or the first part of the 20th century.

In fact, what was striking about the Bush administration's energy plan that came out last week was how similar it was to the plan that was actually proposed under the Reagan administration. In fact, former Interior Secretary

James Watt was recently quoted in the Denver Post in regards to the similarity of the plans they were pursuing back in the early 1980s compared to what the new administration is talking about today in 2001. This is what former Secretary of the Interior James Watt had to say, and I quote: "Everything Cheney is saying, everything the President is saying, they are saying exactly what we were saying 20 years ago, precisely. Twenty years later, it sounds like they have just dusted off the old work."

Yet, there has been a lot of progress that has been made in the advancement of technology and energy efficiency over the last couple of decades, and it is an area, it is a policy area that we, within the new Democratic coalition, want to emphasize more, want to use and rely upon more as we are trying to increase energy efficiency and conservation as a part of the long-term solution.

Now I would like to yield to the gentleman from Washington (Mr. INSLEE), who has been sitting patiently for a while, a colleague of mine who serves on the Subcommittee on Energy of the Committee on Natural Resources.

Mr. INSLEE. Mr. Speaker, I appreciate the gentleman's leadership on this. I just have something to report for a moment. In our Subcommittee on Natural Resources today, members of the energy industry came to us and testified and reported that they were happy, tickled pink, is the way I would characterize it, about the administration's alleged plan to deal with energy. I guess it is really not a great surprise that they would be very, very pleased.

I think one of the reasons, although it was unstated, is that this plan is one of total inaction in dealing with the crisis in the western United States of wholesale electrical prices. Because while the prices we have to pay in the west for wholesale electricity have gone up 500 percent, 1,000 percent in some circumstances, this administration willfully, and in what I think is a pretty amazing display of casual indifference to the plight on the West Coast, has said they are going to do nothing about those prices.

To the people I represent, people who, like a fellow who told me he has conserved half of his energy in his house to respond to the need for conservation, but his energy bill has gone up. The Bush administration's message to him is real simple: tough luck.

To the small business operator in Shoreline, Washington that has an ice rink who is going to have to curtail their hours of operation and reduce their small profits, to try to keep their mom-and-pop operation going, the Bush administration has one simple answer to them: tough luck.

To the Edmonds school district, which is having to have hundreds of thousands of dollars now going to large

energy generators, instead of hiring teachers and textbooks, the Bush administration has a real simple message: tough luck. And the message of tough luck is one that, although it has been music to the ears of the energy companies when they come testify to us on the Committee on Natural Resources, the message of tough luck is not one that is being well received by my constituents, who are in very, very tough shape.

I go to food banks now and I talk to family after family and they say they have never been to a food bank before until they have been hit with these energy prices, and yet the administration is refusing to do anything about it. I just want to report to my colleagues that it is terribly upsetting to us that this administration will fail to do anything about price mitigation plans that have been proposed with at least several Republicans in this Chamber who are supporting an effort to bring these incredible prices under control.

This weekend, I read an article that I thought was salient, because the administration has argued that they do not want to do anything about these prices, because they are afraid it will act as a disincentive to the creation of a new generating capacity. We need the President to read the San Francisco Chronicle this weekend.

I want to read a couple paragraphs from an article from this Sunday's San Francisco Chronicle that leads with this paragraph: "Large power companies have driven up electricity prices in California by throttling their generators up and down to create artificial shortages, according to dozens of interviews with regulators, lawyers and energy industry workers."

It goes on to say that "According to the accounts of three plant operators," a Corporation X, I am not going to expose them right now, my colleagues can buy the newspaper, "Generator X operation schedulers on the energy trading floor ordered them to repeatedly decrease, then increase output at the 1,046 megawatt at plant X. This happened as many as 4 or 5 times an hour. Each time the units were ramped down and electricity production fell, plant employees watched on a control room computer screen as spot market energy prices rose. Then came the phone call to ramp the units back up. Quote: They would tell us what to do and we would do it, closed quote, said one of the men, who only agreed to speak on condition they would not be identified because they feared being fired. Quote: Afterward, we would just sit there and watch the market change."

Well, they sure did watch the market change. They watched these prices go up 1,000 percent.

Now, if we want this diminution of power to continue, if we want the continued reduction of power as much as

30 percent in the California market, up to 30 percent of the generators right now have their plants turned off, for goodness sakes. At the time we have blackouts in California, at the time we are paying 1,000 percent more for energy, these people have turned off 30 percent of their plants.

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Now, if we want that to continue, it would seem to me we would want the status quo, which is what the Bush administration has proposed. They are going to do nothing.

We already have a disincentive for power in California, Oregon, and Washington. That is the existing dysfunctional market, because these folks can turn off their plants and jack up prices 1,000 percent.

We want to create a market condition that is an incentive to bring these plants online. That is a cost-based system, where at least for the next 2 years we can have a short-term time-out of this dysfunctional market, have a cost-based system, give these generators the cost of producing their power plus a reasonable degree of profit, and bring some sanity back to this market.

We could give these generators the highest profit margin since Bonnie and Clyde were in operation and we would still cut these prices in half. That is what we ought to do. That is what we are calling on this administration to do.

So we are going to continue on this effort to ask this administration to get off the dime, do its job, tell FERC, the Federal Energy Regulatory Commission to do its job, and get some short-term cost-bid pricing.

Mr. KIND. Mr. Speaker, I thank the gentleman from Washington State for his comments this evening, and for the work the gentleman is doing on the Subcommittee on Energy and Mineral Resources with myself and others here in Congress.

This is an important issue. The gentleman mentioned the profits that are currently taking place in the oil and gas industry. It is astounding, seeing the triple-digit increase in profits in the first quarter of this year alone, 350 to 400 percent profit margins.

Seven of the ten Fortune 500 companies in the entire world are oil and gas companies. In fact, if we just go through the list of the profit statements over the last fiscal year, we have ExxonMobil, for instance, with a 124 percent profit increase from the previous year; we have Chevron, with a 151 percent increase of profit last year; CONOCO, with a 156 percent increase in profit from the previous year.

Yet, in the first quarter of this year alone, ExxonMobil is realizing a \$5 billion profit in just the first quarter of this year. BP Amoco, BP now, is at \$4 billion profit in the first quarter of this year; Chevron, a \$1.6 billion profit in

the first quarter of this year; CONOCO, with a \$700 million profit already in just the first few months of 2001.

So obviously they are making a hefty profit. They are covering their costs. They are laughing to the bank, quite frankly. I think they have to answer to this, why there is such a huge increase over the last year alone in the profit statements of their individual companies, and yet we see the consumers paying a triple-digit increase in the energy costs, primarily on the West Coast right now.

Mr. INSLEE. If the gentleman would continue to yield for one comment, we believe profits are American. There is nothing wrong with profits. But when demand for electricity in the State of California has gone down since last year, and demand has actually gone down from last year, supplies have gone down as much as 30 percent on a given day, but then they have a way to game the system to jack their prices up 1,000 percent, something is rotten not just in the state of Denmark, it is rotten in the State of California, and Oregon, and Washington. We are losing 43,000 jobs in my State because of this rampant gaming that is going on. We are going to continue to try to fix that. I thank the gentleman.

Mr. KIND. I thank the gentleman for his participation this evening. I am not sure about my colleague from Washington State, but one of the most surprising facts I learned as ranking member on the Subcommittee on Energy and Mineral Resources this year was the incredible access and availability of these oil and gas companies on most of our public lands already throughout the country. Roughly 95 percent of the public lands they have access to. Granted, there may be things we can streamline in regards to the permitting process and some of the regs that surround those, but 95 percent.

In fact, there was a story that broke yesterday in the Anchorage Daily News where Phillips Alaska Company up in Alaska announced that they discovered three oil and gas fields on the North Slope of Alaska that was newly opened, the National Petroleum Reserve up in Alaska.

This was a reserve that the Clinton administration actually permitted out to the oil and gas industry. They now have discovered a tremendous oil and gas reserve to the tune of 429 million barrels of oil up in the North Slope, which is the largest energy find, energy resource find, in over the last decade.

So obviously there is access already with public lands in the country, some that the Clinton administration worked closely with the industry to gain them access. That is why we have to question the need right now to go into the Arctic National Wildlife Refuge, one that was specifically set aside for the protection of the pristine place and the ecosystem and the animal and

bird species that exist up there, when we have discoveries like this being made already on the public lands.

As I mentioned earlier, perhaps one of the most cynical aspects of the energy plan is they are saying us, too, when it comes to renewable and energy sources, “. . . but only after we drill in the Arctic National Wildlife Refuge and we are able to collect the oil royalties from these oil companies.”

But we also know in recent months that we have been having difficulty collecting a fair market price for the oil royalties. In fact, U.S. News on May 14 of this year just released a big article titled “Making Them Pay: How Big Oil Companies Shortchange Taxpayers on Royalties.”

Apparently they have been cooking the books. They have been understating the actual market value of the oil that they are extracting from public lands, and some of the companies actually are storing the oil supplies in the summer, where the prices are lower. They are selling in the winter when the prices are higher. Yet, they are quoting the summer prices, the lower price, in regard to the royalties they are now responsible for.

Chevron, Texaco, BP have been forced recently to spend nearly \$8 billion to settle underpayment lawsuits with the Federal government and with seven other States, according to a project on government oversight.

There is a recent jury verdict in Alabama holding ExxonMobil liable for \$88 million of underreported oil royalties, and also assessing a \$3.4 billion punitive claim on them because, in the words of one of the jurors, “We were sending a message: If you cheat, you will be punished.”

Yet, here we have an administration that is going to be relying on financing of alternative and renewable programs through oil royalties, when we know we have a problem in collecting the fair share of oil royalties that these companies agreed to pay in order to have access to the public lands in order to alleviate some of the burden on taxpayers.

Mr. INSLEE. Mr. Speaker, if the gentleman will yield for another moment, the gentleman has alluded to this point. I want to make sure that Members who are aware of this proceeding tonight are aware of exactly what the administration has said.

They have held the environment hostage, because what they have said in their budget is unless we give up the protection of the Arctic National Wildlife Refuge and allow drilling there, we are not going to spend one single dime on these conservation and new technology renewable efforts.

To me, if they are going to hold somebody hostage, the last person they should hold hostage is Mother Nature. That is who they have held hostage on this. To say that unless they get their

way, unless these major oil companies get their way, the real party in interest here, to me it is an incredibly shortsighted approach to take, particularly since, as the gentleman knows, if we increase our mileage 3 miles a gallon, if the administration would yield to our efforts to increase our CAFE standards, our average miles, if we increase it 3 miles a gallon, we will save more oil just by that one step, without stepping a foot in that refuge, than we will ever get out of the wildlife refuge.

That is the route we ought to be going. We hope at some point the administration will see the light in that regard.

Mr. KIND. Reclaiming my time, Mr. Speaker, I think we need to be thoughtful and deliberative in regard to increasing access to the public lands. Obviously, we have a lot of access already. I think it would behoove us to spend a little bit of time trying to improve the safety and environmentally-friendly measures of being able to extract some of these resources that already exist, because we also have problems in that.

Again, I hate to keep plugging the Anchorage Daily News, but on April 17 this year they reported a huge pipeline leak up in the North Slope of Alaska, which is one of the largest spills to occur in the last 10 years. Some 92,000 gallons of salt water and crude oil leaked from a pipeline at Kuparuk Oil Field in April.

The pipeline burst, and this is a problem we have with current infrastructure when it comes to the extraction of gas and oil is we have a very old infrastructure with the eroding and corroding pipes that are leaking.

In fact, there have been four major oil spills in the North Slope of Alaska within the last 6 months alone. Yet, I think the administration is trying to sell the American public on the idea that we can go into these public lands and the refuges and the national parks, be able to extract these fossil fuels in an environmentally-friendly manner, when in fact the new stories belie that type of argument, because we know there are problems and oil leaks occurring, which has a devastating environmental impact.

Mr. SHERMAN. If the gentleman will yield, I will point out that we on the Democratic side of the aisle, while we are opposed en masse to drilling in the National Wildlife Refuge in Alaska, this does not mean that we are not looking for more production. In fact, our side of the aisle, and not the other side of the aisle, is pushing to bring the natural gas from Prudhoe Bay, the part of Alaska that has already been developed.

They are bringing the oil down, and if there is a leak in an oil pipeline, it causes the environmental problems that the gentleman talks about. The natural gas that is being produced from

that already-developed field is being reinjected back into the Earth.

Instead, our plan, the Democratic plan, calls for building a pipeline, even providing an incentive to build that pipeline, so that we bring that natural gas to market.

Why is this so important? The price for oil is going to be set at the same price that OPEC is selling its oil. There is a world price for oil. We move oil from one continent to the other. A little bit of production by destroying the ANWR is not going to have any effect that helps consumers. A couple of oil companies might get rich on a big project, but it will not have any effect for consumers.

In contrast, natural gas does not move from continent to continent. The North American market is based upon North American supply and North American demand. If we can bring the natural gas that is already there at Prudhoe Bay, we can reduce prices that are paid by American consumers, by California consumers, by electric consumers whose electricity is generated by the burning of natural gas, as well as people who use natural gas in their homes.

So there is a project in Alaska that will reduce the price paid by consumers has no support in the President's plan, but there is this project that will despoil the environment and have no effect on world prices. Perhaps this administration, as has been asserted by us, has forgotten that they do not work for the energy industry anymore; at least, they are not supposed to.

Mr. KIND. Mr. Speaker, what is also not stated in this debate on the Arctic National Wildlife Refuge is even if the authority is given and they start drilling, it is a 10-year period before they bring the product to market, so obviously that is not going to be any short-term answer to the crisis we now have on the West Coast or in other parts of this country in regard to rising prices.

Unquestionably, we need to modernize the infrastructure. We need to invest in more refineries. In fact, many of the industry experts in the economy say this is not really a supply problem we are facing. This is not the 1970s, when OPEC decided to turn off the spigots and hold us hostage by reducing oil production or selling oil in the country. We had the lines backing up at the service stations with escalating gas prices in the 1970s.

That is not the situation we face now. OPEC has, as a group, been able to keep their per barrel price of oil within the reasonable range of \$25 to \$30 a barrel, which they said was their target range. They have been staying true to that. It is really an infrastructure challenge we face right now, and refinery capacity. I believe Members on both sides of the aisle recognize that.

Mr. SHERMAN. If it is an infrastructure bottleneck, it is also a cause for

antitrust investigation, because there has been an explosion in the profit margin that refiners are generating. It may be that, as we have seen problems in the generation of electricity, that we may also have supply being artificially constrained.

I would say that OPEC is probably charging 10 cents to 20 cents a gallon more than is fair, and that is a problem. But when we are paying \$2 a gallon, as they do in my State, the 20 cents that is going to OPEC, which, after all, foreign countries are relatively hard to control, is not necessarily the focus of our attention.

Of course, when President Bush was running for office, he said that a United States President who was strong could get OPEC to cut their prices just by lifting up the phone. Obviously, he has changed his mind on the definition of strength, and, as other speakers have pointed out, has been unwilling to make that call.

I would like to comment on a few of the other points that have been made, if the gentleman will continue to yield.

We have talked about the importance of conservation. I should point out that America has produced four times more energy through efficiency, conservation, and renewables than we have from all other new sources of energy over the last 20 years. Over the last 20 years, we have saved \$180 billion on our energy bills because of this conservation. That is more than \$200 for every dollar of Federal money spent on developing renewables and developing conservation measures.

Mr. KIND. On that point, this is actually a perfect segue into a map that I brought with me this evening talking about the potential of the renewable and alternative energy sources that already exist within our own country.

In the upper left corner here we show the potential for biomass and biofuel resources throughout the country, albeit more predominant in the eastern part of this country and also the West Coast, but nevertheless, a tremendous potential.

It is one of the farm industry criticisms of the Bush energy plan is how little attention or interest they have in developing the biomass and biofuel resources that we have in the country. It could be a win for the consumer; it could also be a win for the farm producers that exist throughout the country. Lord knows, they are looking for a win at this point. But also there could be solar energy potential, too. In some regions the potential is much greater than other regions, but virtually every region of this country can certainly develop solar power potential to a much greater extent than we have today.

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Geothermal resources, the Bureau of Land Management released this map showing the geothermal potential that

exists in the country. There are a lot of uses of it already in Nevada, Utah, California, Hawaii, in particular, but there is also potential in the middle States of the country.

The small country of Kenya in Africa is moving aggressively with this geothermal power, and they are anticipating 35 percent of their energy needs over the next decade will be generated by geothermal power.

Then finally wind resources, which basically covers the map as well, and there is where we have seen some of the greatest efficiency in recent years. They have gone in the last 3 years from 30 cents per kilowatt hour in producing wind power to roughly 3 cents to 5 cents per kilowatt hour making it very market competitive.

These are some of the ideas that many of us are calling for in the development of alternative and renewable energy sources that should be a part of the overall energy solution, rather than increased reliance and dependence on the extraction of fossil fuels and the burning of fossil fuels in this country.

Mr. Speaker, I yield to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, I know we have limited time, but just in closing, I want to say that California is building 14 electrical generation plants now. Under our prior Republican governor, we built not one, but the private sector was not trying to build plants in our State until last year.

We need help only in the form of being allowed to go back to the regulation system that we had before. We do not need billions of aid from the rest of the country, but we need the ropes untied from our hands.

Mr. KIND. Mr. Speaker, I thank the gentleman from California (Mr. SHERMAN), my friend, for his comments tonight and for joining us in this important discussion. Obviously, this is the beginning of a long discussion and a much needed debate in this country trying to develop a 21st century energy policy to meet the challenges that exist today.

Again, if we can bring balance, if we can utilize the technology that is available, increase energy, efficiency and conservation, I think that is going to be the best long-term solution.

BOATING AND CARBON MONOXIDE: THE SILENT SERIAL KILLER

The SPEAKER pro tempore (Mr. Issa). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. McINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. McINNIS. Mr. Speaker, I would say to the gentleman from California (Mr. SHERMAN), my colleague, I look forward not today but perhaps on the floor here where we can engage in a debate. In fact, I would savor the oppor-

tunity to engage in a debate with the gentleman.

Unfortunately, this evening I am not going to be able to rebut the comments that the gentleman has made. Obviously, there is strong disagreement and maybe next week or some week we can make an arrangement where the gentleman and I could show up here on special orders and both sides can yield a little and have a discussion. I would look forward to that.

Mr. Speaker, I yield to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. If there is a particular time, I am available either now or at some other time that the gentleman suggests.

Mr. McINNIS. I will suggest something to the gentleman tomorrow and maybe we can engage as early as tomorrow evening. Unfortunately, this evening, as the gentleman will soon see, I am going to leave the subject of energy completely and talk about a family in Colorado. But aside from that, perhaps we could contact each other tomorrow.

I think it would be healthy, Mr. Speaker, for us to have this kind of discussion, because certainly I think some of the statements made on that side are inaccurate. I am sure that the Democrats, especially the liberal Democrats, would find some of my comments inaccurate.

But that is not my point for being here this evening. My point here this evening is I want to tell a story. It is a story of great tragedy. It is a tragedy that did not have to happen. It is a tragedy that could have been avoided. It is a tragedy that was brought about in part because of inattentiveness of a governmental agency.

It is a tragedy that has ruined a family, maybe not ruined a family, but certainly marred this family's life.

Mr. Speaker, I hope that my colleagues will pay close attention to the story that I am about to tell this evening. It is about a serial killer. We have all heard about serial killers. We have had a lot of publicity lately about a serial killer. But this is a serial killer that could have easily been brought under control.

This is a serial killer that we could have captured, so to speak, very early in the game. But because of the fact that this serial killer who was known to be a serial killer, who was ignored by the system, this serial killer has resulted in many, many deaths.

My story again this evening will focus on two of those deaths, two young boys, two young boys who had no idea they were in the midst of a serial killer, two young boys whose lives were snuffed out in a matter of a few seconds.

The young boys' families and the young boys' friend's family who were also in the vicinity, how their life has been marred forever because of the fact

that attention was not given to the ramifications of a serial killer. In fact, the episode itself was almost by design.

What am I talking about? Let me put it up. I would ask my colleagues and I ask, Mr. Speaker, to stick with me for the next 30 minutes or 40 minutes. This is the serial killer.

I say to my colleagues I hope each and every one pay attention to this, because this could have ramifications to any of my colleagues' constituents that may be recreating as the boating season begins, that may be recreating on a houseboat.

I hope, at the conclusion of my remarks, that one of the first things that my colleagues do when my colleagues return to their districts is that my colleagues speak at town meetings and so on. Take an opportunity to tell your constituents if they have a houseboat, watch out for the serial killer. I am going to tell my colleagues all about the serial killer.

This evening, I am going to spend a few minutes telling this story; and, fortunately, by telling this story, the family of these two young men through a lot of soul searching have had enough courage to step forward and allow me to talk about their tragedy. In fact, they had enough courage to come to Capitol Hill last week and to testify in front of committees.

As the mother of these two children said, she brought to Washington, D.C. a broken heart. That is what she delivered to Washington, D.C., a broken heart. It takes a lot of gumption for some folks to really come out and tell that.

Let us talk a little more about that. I will get into that later on. But let us look at boating and carbon monoxide, the silent serial killer. Let me repeat that, the silent serial killer. Right there, the back of that boat on the swimming platform.

This tragedy, by the way, occurred last August. Let us take a look at The Arizona Republic's article. It was published on December 31, 2000. Frankly, it is one of the best news accounts of a story that I read in my professional career.

It was by Maureen West and Judd Slivka, I hope that is the correct pronunciation of the author. It is August 2, and the sun is shining on the white paint of the houseboat named the Canyon Explorer. That is the name of the houseboat, the Canyon Explorer. Who wants to go skiing and who wants to go tubing, Ken Dixey, the father asks the nine kids on the 55-foot houseboat. Only two of his sons, Dillon, 11, and Logan, 8, want to go.

A pause in the story. There is Dillon. There is Logan. By the way, there is Ken. My colleagues will hear that name during the story. When I refer during the article, I will refer to Ken and his wife, Bambi. By the way, they are from Parker, Colorado. Dillon was 11 years old. Logan is 8.