

congressional Republicans have urged the entire energy industry to spend upwards of \$50 million on the ads—or about as much as the tobacco industry spent to defeat comprehensive tobacco legislation in 1998.

Congressional GOP leaders have issued dire, albeit private, warnings to the energy industry that they may not be able to block legislation imposing caps on prices or other measures designed to give the federal government a greater role in setting rates for wholesale electricity, oil or natural gas.

The ad campaign reflects a deepening sense of dread among congressional Republicans that the Bush energy policy, while long on specifics, has failed to address short-term political pressure on Republicans.

Republicans inside and outside of Congress tell CNN they are terrified about confronting a summer of Democratic attacks on energy prices as they gear up for re-election campaigns. The concerns are all the more acute because of the GOP's narrow, five-seat House majority and fear among Senate Republicans that they could lose more ground to the Democrats in next year's elections.

The final straw for many House and Senate Republicans was Mr. Bush's trip to California, which, in effect, put the issue of price caps in the spotlight.

"It was a total disaster," said an adviser to the House Republican leadership. "He came out there to let every Californian, including Republicans, know he was against price caps. Now everyone in California knows (Democratic Gov.) Gray Davis is for them and the president is not."

What's worse, several senior Congressional Republican sources told CNN, the White House returned from the trip thinking the president had the upper hand.

"It's ludicrous," said another House Republican. "Members have lost confidence in their ability to understand how this issue is affecting us."

Congressional Republicans will not play any role in the content or overall strategy of the campaign. Neither is the White House involved. But House and Senate GOP leaders have shared their concerns with top White House officials, among them Mr. Bush's senior political adviser, Karl Rove.

"The White House is aware and approving of the effort," said a senior Senate Republican aide.

House Republican leaders, beset by complaints from rank-and-file Republicans about the beating they're taking on the energy price issue, have been demanding action from energy companies to make the public case against price caps or other controls on energy markets. Chief among the advocates has been House Majority Leader Tom DeLay of Texas.

DeLay and his wife, Christine, dined with President bush and the first lady on Wednesday. Sources close to the situation said the evening was mostly social, but they added that DeLay expressed concerns about the withering attacks the House GOP has been absorbing from Democrats on the energy issue.

From news conferences to special orders on the House floor, Democrats have blasted Republicans as allies of big energy conglomerates and as unwilling to question high energy prices.

The White House, sources inside and outside the administration tell CNN, has gotten the message. Senior advisers convened an emergency "California energy message" meeting Thursday to discuss future strategy. The meeting involved Rove, White House counselor Karen Hughes and senior advisers

from the president's economic team and the Energy Department.

The political danger for Republicans has become so pronounced that House GOP leaders pulled an energy bill sponsored by Republicans Rep. Joe Barton, R-Texas, because they could not be sure they could kill a Democratic attempt to add energy price caps in California to the legislation.

Similarly, senior Senate Republicans aides said a push for electricity price caps in California could prove unstoppable if the issue comes to the floor. With Senate Democrats eager to push other matters first—such as HMO reform—the price cap issue will probably not make it to the Senate floor until congress returns from its Fourth of July recess.

At a recent gathering of Senate Republicans, one top senator said there "wasn't five votes" among Republicans to block price caps on electricity in California.

Last week, House Majority Leader Dick Armey, R-Texas, and Conference Chairman J.C. Watts, R-Oklahoma, sparred publicly over whether to hold hearings into energy prices. Armey said the exercise was "nonsense." Watts said he wanted energy companies to at least explain price fluctuations so the public would see that Republicans were at least willing to hold them accountable to consumers.

"We're not fighting fire with fire," said one exasperated senior House Republican aide. "This is a war and if the energy companies don't step up to the plate, we can't stop bad things from happening anymore. They have to be willing to fight and fight on the air."

Before the emergency White House meeting California, top White House communications aides sent a memo to all congressional Republicans last week advising that they should no longer use the phrase "price caps" but "price controls."

The theory behind the semantics, Republicans say, is that price caps sound consumer-friendly and nonthreatening, while price controls sound bureaucratic and meddling. The White House has long argued that price caps in California—or anywhere else—would distort markets.

This distortion, the White House has argued, would artificially lower prices, encourage consumption and diminish the supply of energy that can be profitably brought to market.

Republican sources said several utilities will participate in the advertising and that the thrust of the pitch would be that government interference in energy markets would, in the case of California, bring more blackouts.

The campaign may, in later stages, remind viewers of the gas lines in the 1970s, which many energy economists say were brought on by price controls that drastically reduced the supply of gasoline and by consumers hoarding gasoline, frightened of never having enough.

"We've been carrying their water for a long time," one Republican said of the energy industry. "And now they're going to have to provide some air cover."

The one irony is that energy economists have of late forecast that gasoline prices—which were feared to be headed well above \$2 per gallon—will likely drop later this summer and that the energy crisis in California may not be as acute as anticipated.

The main reason, these economists say, is that high prices for gasoline and electricity sparked widespread conservation that has boosted supplies of gasoline and taken pressure off California's electricity needs.

But that doesn't mean the political equation has changed.

"Members are scared to death," said another senior House Republican aide. "They are going to be redistricted this year and they will have to sell themselves to some new voters next year. They need to be able to tell them what they did about energy."

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

SPEAKING OUT FOR RURAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, tonight we would like to pay tribute to rural America and to particularly highlight the efforts of the 140-member Congressional Rural Caucus. We have pledged ourselves to having attempts to preserve rural America, and I commend my cochairman of this caucus, the gentlewoman from Missouri (Mrs. EMERSON), and the gentlewoman from North Carolina (Mrs. CLAYTON) for their leadership and dedication to the rural caucus on issues that matter to rural residents across this country.

Our job as members of the Congressional Rural Caucus is to promote economic and social policies that support the continued viability of our rural communities. In many instances throughout my State of Kansas our rural communities continue to struggle. We continue to see populations in once-thriving communities decline across the Great Plains. Of 105 Kansas counties, 61 have smaller populations today than in 1900; 82 Kansas counties have lost population since just 10 years ago; and 65 counties are predicted to lose population in the next 10 years.

Kansas communities are confronted with serious challenges of prosperity and survival. While working on the farm bill, Mr. Speaker, we hope there will be a strong component for rural development in that farm bill. And as parts of the rural caucus, I chair the task force on telecommunications. Seems awfully important for us to make certain that the provisions that are often available in more urban areas of our country are made available in rural communities as well. Our communities' survival depend upon access to increasing technology.

Mr. Speaker, by providing one voice for rural America, the Congressional Rural Caucus will ensure that rural communities will remain viable and competitive. Our job in Congress is to raise the awareness of rural issues and to preserve that way of life. As Congress debates important issues like