

more and more prescription drugs. This is the good part of it, because we are living longer and healthier, but this is sometimes a mixed blessing from a policy perspective. The influx of these drugs can only mean new treatments and therapies for what are now incurable and serious diseases, but it also means that the demand for these drugs and also the cost of these drugs will rise.

Congress cannot sit idly by while our seniors, our parents and our grandparents, are forced to pay more and more of their hard-earned retirement on prescription drugs, and they cannot afford it. Unfortunately, we have seen little action during this Congress. We have actually had one or two hearings in the Subcommittee on Health of the Committee on Energy and Commerce, but we have not gone any further.

For the past 100 days, all we have heard about is a tax cut. What we need to do is start addressing prescription drugs for senior citizens, those 40 million hard-working Americans who now rely on Medicare.

The \$300 billion I understand that may be in the budget that will actually come out of the Medicare reform legislation for prescription drugs is just not adequate. The real problem for our seniors is every time I go to the grocery store at home or a town hall meeting or visit with my seniors, I am approached on what we can do about prescription drugs for seniors. They want to know why in Washington we are not doing something about it, because they see it as an imperative that if it is not a problem today, it has been a problem for over a year and we have not addressed it.

Mr. Speaker, I urge my colleagues on both sides, the majority and the minority, we need to pass a prescription drug benefit that is part of Medicare. Just like a doctor or hospital, our prescription drugs should be paid for for our seniors as part of Medicare. We may not be able to afford the 80 percent that we do now for doctors and hospitals, but we ought to be able to grow into that.

Mr. Speaker, \$300 billion is a start, but we have a long way to go. It is a crisis now for our senior citizens. It is a crisis for our parents and our grandparents, and we need to do something about it now.

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

(Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. HUNTER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

LEGISLATION TO DESIGNATE THE "M. CALDWELL BUTLER POST OFFICE BUILDING" IN ROANOKE, VIRGINIA

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

Mr. GOODLATTE. Mr. Speaker, it is with great pleasure that I introduced legislation today to name the main Roanoke United States Post Office at 419 Rutherford Avenue in Roanoke, Virginia, for my good friend, former Congressman M. Caldwell Butler.

Mr. Butler is a gentleman whom I admire greatly. He served as a United States naval officer during World War II. He received his undergraduate degree from the University of Richmond in 1948 where he was elected to Phi Beta Kappa and Omicron Delta Kappa. In 1950 he received an LL.B. degree from the University of Virginia School of Law where he was elected to the Order of the Coif. In 1978, he received an honorary degree of Doctor of Laws from Washington and Lee University.

Mr. Butler served in the Virginia House of Delegates from 1962 until 1972, where he was minority leader. He practiced law in Roanoke from 1950 until his election to Congress in 1972. He served five full terms in the House of Representatives, representing the sixth district of Virginia. It was my privilege to serve as Congressman Butler's district director from 1977 until 1979.

While in Congress, Mr. Butler was a member of the House Committee on the Judiciary and the Committee on Government Operations. Mr. Butler's start in Congress was memorable. As a member of the House Committee on the Judiciary, he served with distinction as part of the panel that conducted impeachment hearings involving President Richard Nixon.

□ 2000

Mr. Speaker, following his service to our Nation, Mr. Butler returned home to Roanoke to practice law as a partner of the firm of Woods, Rogers & Hazelgrove, which he continued to do until his retirement in 1998. In addition, he contributed his expertise on a national level by serving as a member of the National Bankruptcy Review Commission from 1995 until 1997.

Mr. Butler is a pillar of the civic community as well, serving as a member of the board of directors of the John Marshall Foundation and the board of trustees of the Virginia Historical Society, a fellow of the American Bar Foundation, a fellow of the American College of Bankruptcy, and a fellow of the Virginia Law Foundation.

Mr. Butler has shown great leadership and personal integrity in his service as a member of the Virginia General Assembly and as a United States Congressman.

It is with great pleasure that I honor a true public servant by introducing legislation that will make Roanoke, Virginia home to the M. Caldwell Butler Post Office Building.

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

(Mr. RUSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE ENERGY CRISIS

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

Mr. SMITH of Washington. Mr. Speaker, I rise tonight to talk about what is fast becoming one of the largest problems our country faces, and that is the energy crisis. It is not just a California problem. It has spread certainly to the Northwest, where I am from, but also throughout the country, as we see prices for all sorts of energy consumption, from gas at the pump to electricity in the home, go up considerably.

Mr. Speaker, I think it is very good that the President has focused a large number of resources on deciding what to do about this problem. He has put together a task force and the Vice President is taking the leadership role on that. I think this is a problem that we need to focus on.

I am not as excited about the initial reports from the Vice President and the President about the direction they need to go in, but I feel, and so does the new Democratic coalition, which I rise tonight in part to represent, that it is a good first step and we can get there on the policy.

But where should we go? The Vice President's approach and some of his initial remarks were, first of all, that we are going to need to build a power plant a week for the next 20 years, and that conservation, while a personal virtue, is not an energy policy.

The vision that is laid out from those initial statements is that we are going to be building a lot of power plants and power plants that are focused on existing fuel sources, fossil fuel, oil, natural gas, coal, and we are simply going to try to burn and drill our way out of the problem.

Is this a good solution to our energy crisis? I would argue, and my fellow new Democrats also argue, that this is not the best solution. There are a lot of damaging side effects to taking that approach, and what is more, there is a better option, a better approach. Building a power plant every week for the

next 20 years is going to be an incredibly costly endeavor, costly in terms of money and costly in terms of the impact that it has on our environment.

When you are drilling for oil all over the place, you have a tendency to damage the environment and have an impact. When you burn that oil, when you burn those fossil fuels, you have a very damaging impact on the quality of our air and on the overall quality of our environment. This is not the best direction to go in.

One final reason why I do not think it is the best direction to go in, it has been a constant focus on our dependency on foreign sources for our energy. In fact, ironically, that is one of the arguments that the administration gives for drilling in the Alaskan National Wildlife Reserve and the Gulf of Mexico and a variety of different places for oil domestically: to reduce our dependency on foreign oil.

Drilling for more oil is not going to reduce our dependency on foreign energy sources. As long as we have a fossil fuel base system, as long as we are dependent on oil, we are going to be dependent on foreign sources for that oil, because you could drill the entire country and you would not come up with as much oil as they have in the Middle East and Russia and in a variety of other places that we are dependent on.

The only way to reduce our foreign dependency on energy is to come up with new sources of that energy, and that is what we and the new Democrats are talking about doing.

Mr. Speaker, let me be clear; we need more generation. Some of that generation will have to be traditional natural gas, coal-burning, fossil fuel-generating plants. We understand that we cannot simply tomorrow shift to new sources of energy and get off of this, but we would like to be able to do so as soon as possible, for all of the reasons that I stated.

What are the possibilities here? Is it simply a matter of generating a megawatt here, a megawatt there? It is much better than that. The possibilities of what we can accomplish in terms of shifting our focus and energy dependency away from fossil fuels towards greater conservation and new technologies is far greater than I feel most people realize.

Even before we get into the new sources of energy discussion, even focusing on conservation, the thing the Vice President said was a personal virtue but not an energy policy, if we were to improve in homes and businesses the way we consume energy, electricity, natural gas, a variety of different things, improve conservation, we could save an unbelievable amount of energy.

A recent survey on conservation just cited a couple of things that we could do: tuning up residential air-conditioning, tuning up commercial buildings, more efficient air-conditioning systems in those commercial buildings, and more efficient commercial light-

ing. All of those things combined could save sufficient megawatts to save us well over 100 of those new power plants that the Vice President has proposed that we needed.

If we could then move on to new technologies, solar, wind, fuel cell technology, biomass, a variety of different programs that are out there, we could save even more. By a very conservative estimate, we could cut in half the number of new power plants that we need; maybe more if we went out and spent the money and experimented and found out what we could do.

This is a much better, more balanced approach. It is better for the environment. It is better for domestic security, so that we are not dependent on those foreign sources of energy, and it will build us a long-term sustainable energy policy, instead of thinking that we could simply drill our way out of it by depending on fossil fuels.

We need this balanced approach. What I sincerely hope that the President and the Vice President do is engage Congress to work on this, to balance out this approach and come up with a sustainable long-term policy.

A lot of people will say on a number of these subjects that I talked about, whether it is wind, solar, fuel cell, increased conservation, it is just not cost effective. It does not work. In other words, it is too expensive right now to generate wind power, and you do not really get that much.

Conservation will not really save you that much because you have to spend a lot of money to get there. We do not have the technology to accomplish this.

I would like to draw an analogy to another topic that we have been debating here recently in Congress, and that is the national missile defense system. The President has also recently come out and said we need to build a national missile defense system, basically a system where we could protect at least some portion of the United States, actually, I think it is all of the United States, by being able to shoot down one or two rogue ICBMs if they are fired at the U.S.

We will not find a scientist in this country right now who says that currently that can work at this moment. You will find some who say it will never work. You will find some others who think we can work our way out of it, but the bottom line is the President is saying that whatever you think about this policy, that it is so important to this country that we be able to protect ourselves from a rogue missile or ICBM coming from a rogue nation, that we should spend the money and find out.

Figure it out. He is willing to spend hundreds of billions of dollars to come up with this solution. Like I said, I am not speaking against that policy. He may well be right. That may be such an important policy to do that, but transfer that to energy. Why not spend at least a fraction of that developing some of these new technologies?

If we can figure out in the President's estimation how to hit a bullet with a bullet, with the national missile defense system, by spending enough money, why can we not figure out how to conserve energy better and develop new sources of energy so that we are not relying on the fossil fuel system we have right now?

The answer is that we can. We can develop those technologies, wean our dependence on fossil fuels and better use conservation so we have a cleaner future in addition to ones that generate the energy that we need.

We need to take this balanced approach. It is not enough to simply say, coal, natural gas, oil, that is all we have, that is all that works, let us move on and not change, not look at conservation, not look at alternatives. We need to strike that balanced approach.

I have some colleagues here who are going to participate in the debate as well.

Mr. Speaker, I yield to the gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Speaker, the energy issue is clearly an issue that is on everyone's mind right now. I just this past week invited a number, a cross section of individuals, to attend a meeting where we would discuss what was the appropriate role for the Federal Government with respect to energy policy.

I had people who represented investor-run utilities. I had municipal utilities at the meeting, rural electric cooperative participants. We had large industrial consumers. We had low-income energy advocates. We had people from the State Regulatory Commission in Utah as well.

I can tell my colleagues that if we need any other indication that this is a significant issue, everyone who we invited came to this meeting. It was a fascinating discussion, and what we talked about was the notion of a balanced approach, a balanced approach that incorporates a number of different solutions to what is an energy problem.

Admittedly, this meeting tended to focus more on the electrical side of the equation than on the oil and the gasoline side, so my comments are going to focus more on that as well. But I would suggest that as we look at this energy issue, we really need to sequence time periods in which we are talking about what can we do, what can we do to put ourselves in a better position. In the short term, our options are rather limited.

Clearly we have a supply and demand imbalance, and in the short term, you are not going to be building any new power plants very quickly. In the short term, the best available option we have right now is to increase energy efficiency.

I want to make sure that people understand. As I say, energy efficiency, that is a notion where it is not like you have to give up something; it is not like you have to turn the thermostat

down to 60 degrees and put on five different sweaters. Efficiency means we can have the same comfort level but using less energy to get there.

The technologies are there and, quite frankly, in the short term, which I describe for the next 2 years in the western United States, energy efficiency gains are one of the best tools we have to try to mitigate a very difficult circumstance that we are in in terms of that supply and demand dynamic.

Mr. Speaker, let us talk about the midterm, which is the 2-year time frame to, let us say, the 30-year time frame. Energy efficiency is still going to be part of the equation, but there are more factors that can be added to the equation. This is where we can pursue new sources of supply.

We are going to have to create additional sources of electric supply. We should probably take a balanced approach that incorporates a number of technologies, that is going to be part of the equation.

If we look at the 25-30 years and beyond, that is what I call the real long-term perspective, we need to make a concerted effort, a concerted effort on research and development for technology to provide some solutions; solutions in terms of creating energy more efficiently, solutions in terms of using energy more efficiently and solutions in terms of creating energy from new sources that are not a significant part of our energy supply today.

That is why as a Member of the Committee on Science, I am very concerned about the DOE budget numbers proposed by the administration that show cuts in research and development spending for energy efficiency programs and for energy supply, research and development as well. I am very concerned about that, because I think in the long term, it is good public policy for us to encourage development of good research and technology in this regard.

I mentioned this energy forum and I mentioned all of these people who came and attended this forum. The fact is we talked about a whole bunch of policy areas where the Federal Government should or should not have a role.

I just want to focus on one of those issues that we discussed as a group that I thought was very interesting and something that Members of Congress should keep in mind, and that is the sense that we have gotten into the situation we are in now partly due to the fact that we just had a lack of a predictable public policy.

I used to work in the energy business. I developed cogeneration facilities in the independent power business, and I can tell my colleagues that by the time we got to about 1990, it became very difficult to make rational decisions about investing in new power plants because there was so much uncertainty about what the market was going to be.

Congress was moving towards passage of something called the Energy

Policy Act, which deregulated the whole cell side of our electric industry. But they said, you know what, it is up to the States to figure out what to do on the retail side. Right then we had a bit of a dysfunctional market where wholesale prices were deregulated and working in one marketplace and retail were working in a different situation.

This is a complicated issue. Admittedly, it is hard to implement policy quickly, but we had a series of actions over the years since the Energy Policy Act was passed, FERC Order 888, FERC Order 889, FERC Order 2000. We are still trying to resolve what to do with our electric transmission systems in terms of regional transmission organizations.

□ 2015

We need to resolve those issues because decisions about investing in infrastructure, investing in new supply are difficult to make in the face of uncertainty. So I would suggest that, as a rule, we should try to develop unified predictable policies.

The same applies in terms of dealing with regulatory rules for environmental permitting. Everyone in this meeting that I had in Salt Lake City last week indicated that they are concerned about following the rules. They want to follow the rules. No one suggested rolling back environmental regulations. But they all expressed a desire that we know what the rules are and that there is a process to work through an appropriate permitting activity.

We have got to make sure, again, that we create that unified predictable policy environment where people can make rational decisions. I think that is an important goal for us as Members of Congress. I think that is an important part of developing the balanced energy policy that the gentleman from Washington (Mr. SMITH) has been discussing.

Mr. SMITH of Washington. Mr. Speaker, I just want to follow up on a couple of points that the gentleman from Utah (Mr. MATHESON) made.

First of all, in the investments in alternative energy and conservation programs, the cut in the President's proposed budget is 36 percent from what was already a fairly meager amount. It was \$373 million last year. It goes down to \$237 million in the President's budget. On something that is so important, we can certainly make a better investment and move, hopefully, forward towards finding some of these new technologies and finding that balanced approach.

The second thing is I think it is critical to point out that this is not a one-sided problem, either on the conservation, new technology side. We do have a problem in locating plants. We did a bad job over the course of the last 10 years in preparing for what somebody should have seen coming, which was the offset of supply and demand that we currently are experiencing.

Part of that problem is what the gentleman said, not knowing what the

rules are. It is not a matter of we want to be able to build whatever power plant we want wherever, we just want to know what the rules are so that people can make an intelligent investment decision to build the plant where we want them to build it in the manner in which we want them to build it.

There are a variety of different things we can do in that side of the technology, too. I mean, the way we have the system set up now, it costs more money to bring new plants online in terms of the sort of pollution credits that one has to buy, basically buying the right to pollute, but at the same time one is generating energy. That is the way we do it.

But the newer plants are more efficient and more environmentally sensitive. The older plants that are not do not have to buy those credits, or at least they do not have to buy as much and pay as much. So.

There is a whole lot of things we can look at, both on the generation of typical fossil fuels and conservation and new technology. It is a balanced approach that we really need to take to make this work.

Mr. Speaker, I yield to the gentleman from North Carolina (Mr. ETHERIDGE) who is going to give us some further perspective on the issue.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding to me, and I appreciate him pulling together this special order tonight to talk about an issue I think is very important. It is going to have such a significant impact in this country on so many areas of our economy. I do not think we even realize today what a tremendous impact it will have if it continues.

We talk about the problems in California as if they are isolated, and the gentleman touched on them earlier. The issue of providing for encouraging people to save energy is critically important. One of the pieces, as we are seeing tremendous escalation in cost, is we are going to see a tremendous wealth transfer in this country as it relates to those who have very little, who are trying to make it to those who have considerably amount.

I want to talk a little bit for a few minutes about the ever-increasing cost of energy, because certainly we need a long-term policy. Certainly we need to do all those things. But energy is a lot like eating. One can talk about it in the long run, but we eat in the short run. We stay cool. We get in our cars. We need energy in the short term.

As I travel through my district now over the last several months, I continue to hear complaints from constituents there about how energy prices are rising and there is no end in sight. Even when they go up and they come down, they do not come back down anywhere near where the last level was, hoping people are comfortable, knowing they are going up again. As I talk to my distributors and retailers, they say it is not us. So I ask, where is it?

I hear from the farmers in my district. I have heard them talk about the high price of propane and natural gas prices are driving up the cost associated with farming. That is not just true in North Carolina, it is true all over this country.

Many people here may not be aware of how farmers use propane. Certainly in North Carolina, they use it to dry the crops, whether it be peanuts or tobacco or corn or whatever it may be. But it is also used to run irrigation systems. It is used for heating purposes; because in the rural areas, propane is the gas of choice. They do not have pipelines.

The farmers in North Carolina use it to heat their barns in the summer to cure products; and they use it when they have animals, for pigs or chickens or turkeys or whatever they may be. It is a part of their production process as well as running the irrigation system.

They also use it in the homes and they have seen those prices virtually double when they spiked up this winter and they have not come back to the level they were last year.

The natural gas price rise also has an impact on fertilizers that are used in the farming. We will not see that until next year. Mr. Speaker, natural gas is used as a feedstock for ammonia, which is used for anhydrous ammonia that goes on the corn in the Midwest and all the products grown in this country. We are going to see it at the grocery store. And if the prices do not rise for the farmers, they are going broke.

Many of my colleagues may not know that natural gas accounts for about 90 percent of the cost of producing fertilizer. That is a substantial amount of the cost. With the doubling of the price of natural gas from last year, farmers are facing prices of anhydrous ammonia doubling this year. Double.

Now, that is going to have a significant price on the cost of product. They are already having a difficult time making a living; and these additional costs associated with other energy costs for their diesel fuel, for the gasoline and other things they use on the farm, and the low commodity prices are going to drive more farmers out of business.

The increase in energy price is also imposing a real economic hardship on thousands of urban citizens in my State, especially seniors on fixed income. They need that energy in the short run, and this cost is driving it up. Families on limited and fixed income face enough challenges without these unexpected increases that are associated with the necessities that they need.

Let me just share two examples that were in the paper recently. Because of the high cost of natural gas, Gloria Williams, a single mother in southeast Raleigh, who goes to school during the day to improve her lot in life and works at a Target store in the evening to sustain and support her family, did

not even turn on the gas last winter in her home. She could not afford it. So she used wood or any other alternative fuel she could get just to keep it warm and get through the winter.

Another person in Garner by the name of Fred Joyner, a retired logger who has a disability payment, he said his bill was usually \$75 a month, and it doubled. He said, "it digs deep that bill, but you gotta stay warm. It's like eating." One has got to pay the bill. He said, I do without other things.

No family in America should be required to do this so that just a very few could put more on the bottom line.

Gasoline prices are creeping up, Mr. Speaker, and some are jumping. My district does not enjoy much of the benefits of an extensive and expansive public transportation system. The only public system we have of any extent is the one that transports our children to and from school. One needs to understand that those prices are going up at a rapid rate, and that is going to affect the public till for those who are paying for it.

The State is facing an \$850 million shortfall in their budget. My constituents are car people. That is how they get back and forth to work. Heck, the interstate outside Raleigh just got HOV lanes about a year ago. When gas goes up, they feel it in their pocket-books. Their daily commutes to and from work or trips to the beach or the mountains when they used to make them, they will be cut back. There is no end in sight.

According to a recent report issued by the Department of Energy Information Administration, they have forecast the prices to continue to increase. Last year, natural gas wellhead prices averaged \$3.62 per thousand cubic feet. For this year, EIA predicts the average wellhead price will be almost 50 percent above that. There is a reason for that. It is hard to believe that the wellhead prices have escalated at this level.

The price of propane is heavily tied to natural gas, as propane is a natural byproduct of natural gas. When propane prices rise and spike like they did last winter, they do not come back down to their previous level. We have already seen that.

As EIA is predicting natural gas prices, it is also predicting foreseeable higher propane prices extending out for the next 20 months. I would like to know why it is keeping increasing, and we have not heard anyone talk about how we get it down.

Last year, there was a lot of grumbling over gas prices. They were high, but not high enough to dissuade Americans from taking vacations. That may happen this year.

When the Energy Department testified last Wednesday, they said that EIA forecast that the average retail price for gasoline over the summer would range from \$1.50 to \$1.65 a gallon. That compares with \$1.53 last year at the highest level.

Yesterday, I read in The Washington Post that the range had already expanded to a \$1.75, and that is 5 percent above last year's record highest prices. I have even heard the prediction for some of the energy analysts that the price in this country might even reach \$3. I raise the question, how do you know it is going to be \$3?

Folks were quite patient last summer, but I do not know if Americans are willing to put up with the gas prices as they continue to get higher. If gas prices run up to \$3, the American people will want to know why it happened. So far, they have not liked the explanations that they have been hearing, that price increases are simply an example of the market at work.

I ask the question: What market? Is the market working when the Federal Trade Commission approves of a merger between two of the largest oil companies as is expected in June between Texaco and Chevron? Will consumers think that removing one more competitor from the field will help lower gas prices? I do not think so.

I have been brought up to believe that competition is good, that it helps keep prices down. I believe more people would agree with me if they think it through. When one cuts the number of companies fighting over customers, how will that price go down. The American people are going to want answers to these questions. But they may not feel we have reached a crisis proportion concerning energy, but it may be coming.

Now I know some people do not want to characterize our energy predicament as a crisis. That word gets people worried. It can upset the stock market, and I understand that. But I do believe the situation is urgent and, as a result, demands an urgent and prompt response from the Bush administration.

I think the American people deserve the same level of urgency, the same sense of urgency from President Bush that Governor Bush demonstrated to oil producers when they were hurting by the drop in oil prices in 1999. I urge the administration to demonstrate its understanding of the urgency of this situation by developing an energy policy that does not tell Americans they have to wait a few years before any relief will be found to higher energy prices.

I thank the gentleman from Washington for this opportunity to participate in this special order this evening because this is an issue that is important, not only to my constituents in North Carolina, but as the gentleman has indicated, to all Americans.

Mr. SMITH of Washington. Mr. Speaker, I yield to the gentleman from Washington (Mr. LARSEN), from my home State. As Washingtonians, we know this is not just a California problem. It is certainly not even just a West Coast problem.

Mr. LARSEN of Washington. Mr. Speaker, I thank the gentleman from Washington (Mr. SMITH) for yielding to me.

Mr. Speaker, I am here today to talk a little bit about the energy crisis in the West, how it is affecting families and businesses in my home district, the second district of Washington State and what I and other new Democrats are doing to try to provide a balanced comprehensive long-term solution.

□ 2030

In many ways we are facing "The Perfect Storm" of energy. The energy crisis in Washington State is the result of a number of factors happening, seemingly impossibly, at the same time: a failed deregulation plan in California, an inefficient supply of energy, congested transmission pathways, inaction by the Federal Energy Regulatory Commission to ensure just and reasonable rates in the Pacific Northwest, and, ironically, for the Pacific Northwest, the lack of rain.

Many people refer to this crisis as just a California crisis, but clearly this has not been the case in my district. It is a Washington State energy crisis, an Oregon crisis, Idaho, Montana. Definitely the Northwest and soon to be a national crisis. And the impact of this crisis is being felt all across my district through decreased economic growth, job loss, and unbelievably high energy bills for working families and senior citizens.

Across my district consumers and businesses are currently experiencing utility price increases of 35 percent. And as the summer and fall arrive, we will see those rates jump another 40 to 100 percent. At the State level, increased energy costs threaten over 100,000 jobs statewide and over a quarter million jobs region-wide. Clearly, this crisis is immediate, intense, and far reaching.

High energy costs will decimate industry and working families in my district. In March of this year, Georgia Pacific, a pulp mill that had been employing hundreds of workers in Bellingham, Washington, since 1926, shut its pulp factory for good due to high energy prices, costing 400 working-wage families in Bellingham, Washington, their jobs.

Not only has the city lost revenue and workers lost jobs, but local restaurants have lost business. The port has lost shipping revenue, and the suppliers who supplied materials to GP for years have now lost their top customer, costing thousands of dollars in lost revenues. The plant closure alone will cost the city of Bellingham \$235,000 a month in tax revenues and cost the economy in Whatcom County at least \$100 million a year.

Recently, Intalco, an aluminum company, announced if its energy costs are not reasonable by October, they too will have to close their plant, and that is another 930 jobs threatened in my district.

I have with me just a box of about a thousand letters I have received from employees, family members, relatives, and friends of those employees at

Intalco. Clearly this energy crisis is having a huge impact. One constituent wrote, "I'm an employee at Alcoa/Intalco Works in Ferndale and as it looks like right now, my job will vaporize due to the forces beyond my or my company's control; namely, the exorbitant price of power our plant must have to survive. It is a situation that may require me and my family moving from Washington permanently. We don't want to do this, but we have to make a living too. Please come to our aid."

Another woman from Ferndale wrote, "My husband has worked at Intalco/Alcoa in Ferndale, Washington, for 22 years. We have three daughters. One will be in college for 2 years, the two others to follow. Don't let one year of drought destroy the aluminum industry. Give them time to come up with solutions."

Another woman in Bellingham pleaded, "I would like to know what I can tell my 10-year-old when she asks me what we're going to do when Intalco shuts down. I have worked there for 5 years now, and it has been a good job for my family. But, with the shutdown of this plant, I'll be out of work. And with GP also shut down, there are two less places that will pay a wage you can raise a family on."

In Sedro Woolley one person wrote, "My husband Brent works for Intalco. He is scared he will lose his job due to the energy crisis. We are having to give our power, as well as conserve, just to lose our jobs and turn our community into a ghost town. The situation is real, as you well know, and our children see the concern we have for our community and the people around us. Time is running out."

Small businesses are suffering as well. One business owner wrote, "I have lived in Whatcom County all of my life. I have owned a home and business for over 20 years, and about one-third of all my customers are in the aluminum or steel industries. Losing any or all of them will have a dramatic impact on my business. Ravaging a prosperous and important community like ours is a terrible and destructive solution for the short-term goal of meeting energy demand."

Our Nation is badly in need of a national energy policy that is balanced, that is comprehensive, that is visionary, that answers the call that we are hearing from people in my district and people all over this country. The crisis I have commented on tonight in the West threatens to spread throughout this country, and this summer will bring higher utility bills and gasoline prices for far too many Americans.

Much of what has been offered so far by the administration is, unfortunately, short on vision and offers no truly long-term solutions to the energy problem. The Vice President recently noted that conservation is simply a virtue and the only real solution is to continue with fossil fuels and consuming them at an unprecedented pace.

In fact, he continued to argue, in order to keep up with the demand, we need to build a power plant a week for the next 20 years.

I would say only an approach that includes both short- and long-term solutions will truly ensure the energy independence our Nation is calling for and must have. Many of my Democratic colleagues and I believe we do not have to choose between growing our economy and protecting our environment. We can do both. In fact, a growing economy is dependent upon a cleaner, reliable energy source for generations to come.

The gentleman from Washington (Mr. SMITH) and others have been talking about a new Democrat approach to our national energy policy; and our approach will expand and diversify our energy supply, providing a balanced vision that does more than simply find and consume fossil fuels. I recognize a comprehensive energy policy requires a combination of traditional fossil fuels and natural gas, but it also requires expanding wind and solar power viability that will not only make for a cleaner energy supply but will also stabilize prices and ensure reliability.

In the short-term we can harness the power of technology and modernize our regulations to make existing fossil fuel sources of power cleaner and more efficient. I feel this requires an important incentive for the installation of cogeneration and other technologies and a drive to ensure we continue to utilize these new technologies in years to come.

As we seek to expand and diversify our energy supply, we must upgrade our transmission system to ensure that the creation of new forms of energy can be transferred efficiently. We must encourage private and public efforts to greatly increase the investment in building and improving existing transmission lines and pipelines, while ensuring an expansion of infrastructure is both safe and efficient.

Conservation and efficiency programs will ensure that our limited supply of fossil fuels last longer. It makes little sense to embrace an energy plan based almost exclusively on a finite resource without also aggressively encouraging the conservation of those resources. And I believe conservation should not just be a personal virtue, it must be our national priority. Empowering consumers to make energy-wise decisions has to be a key component to a fully-functioning energy market.

As we seek to develop new forms of environmentally responsible forms of new generation, again we must improve the efficiency of these new forms of generation. I believe this includes public-private sector partnerships to improve extraction methods and encourage cleaner, more efficient generation. This approach must also include an aggressive focus to increase the supply of renewable energy as a component of our national energy portfolio.

We must have a substantial increase in funding for research and development into these programs which will encourage energy efficiency and renewable energy sources such as wind, solar, biomass, incremental hydropower, and geothermal. We must also work to provide realistic market incentives to develop and use renewable energy at the residential, commercial, and at the national level.

We must push for high-efficiency standards, whether it is for vehicles, buildings, homes, or appliances. Improving efficiency will require mechanisms to encourage Federal, State, and local governments to use and purchase alternative fuel vehicles and make all government buildings energy efficient. We must also provide market incentives, low-interest loans and grants to make capital improvements to increase energy efficiency and encourage the manufacture and purchase of fuel efficient vehicles.

And to be specific on one point, we must reauthorize and strengthen the Renewable Energy Production Incentive program as soon as possible, which will help bring an incentive to renewable energy in this country.

Finally, we must ensure that no group is left behind by the current crisis, including seniors and low income. I commend the administration for their budget increases in LIHEAP and State weatherization funding, which are key components for empowering local efforts to deal with the effects of this crisis adequately. However, programs within other Federal agencies, like the public housing operating fund with Housing and Urban Development, must be increased to help our local housing authorities to keep rents down for low-income families.

In closing, I believe very simply that new Democrats understand that a comprehensive energy plan for the future is critical to our Nation's long-term prosperity. The livelihood of families in my district, in Washington State, and across the country depend upon it. And I want to thank the gentleman from Washington (Mr. SMITH) for the opportunity to speak on this tonight, and I yield back to him.

Mr. SMITH of Washington. I thank the gentleman very much.

We also have, for a Midwest perspective, the gentleman from Wisconsin (Mr. KIND). As has been mentioned frequently, but I do not think can be mentioned often enough, this is a national problem that we need to step up to. It will have a profound effect on our economy if we do not figure out some way to provide affordable energy sources to our Nation for a long time to come, which will be a big challenge.

I yield to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, I thank my friend from Washington State for yielding to me and also for organizing this Special Order tonight. I want to commend the gentleman and also our colleague, the gentleman from Wash-

ington (Mr. LARSEN), for the initiative and the leadership you have taken within the new Democratic coalition forming a comprehensive long-term energy task force, which is a work in progress but nevertheless long overdue as far as this institution is concerned and, obviously, the American people.

But in a lot of ways this is not really a new conversation that is being started amongst many of us, but rather a continuation of a conversation we have been having for quite some time but, quite frankly, have not received any attention or any work on because of the plentiful cheap energy sources that the country has been enjoying for many, many years. In fact, I think, in a lot of ways, former President Jimmy Carter was before his time. He was criticized and even laughed at at times when he was walking around the White House with a sweater on preaching the values of energy conservation. Of course, that happened during the OPEC crisis. But as soon as the crisis abated and oil became cheap again and OPEC start opening up their supply lines, any talk about conservation or energy efficiency went out the window, and we have not had much progress administration after administration.

I think the previous administration, the Clinton administration, deserves much more credit than they have received in regard to the energy budgets they submitted time and time again on Capitol Hill. But again it was received with laughter, saying that it was too green, unnecessary and drastic proposals, when actually what they were asking to do was trying to fund and create some incentives to explore alternative and renewable energy sources in the country, realizing that that has got to be a part of any long-term energy policy.

But I think we all realized that nothing significant was going to be accomplished on this front until ultimately the American people felt the pain, and we have seen that now in the recent year. We have the crisis on the West Coast, whether it is California and the rolling blackouts, but even the Pacific Northwest, where you two gentlemen are confronting with the low water and the reduced hydroelectric supply that the Northwest relies upon for their energy needs. But this is true from State to State. And if truth be known, even a State like Wisconsin, which is the State I represent, is on the margin as far as delivering the energy capacity and the need that the people back home require. We could be a whisker away from having our own energy crisis because of transmission problems and some of tin fracture problems that have developed in the State of Wisconsin.

I am glad the gentleman from Washington (Mr. LARSEN) brought a few of the letters from constituents and how they are feeling the pain, because I think all of us right now in our respective offices are getting a lot of phone calls and a lot of letters. Back home I

can point to many family farmers that are on the margin already because of low commodity and milk prices that are getting pinched and many forced out of the business because of the spike in energy costs right now.

But this is true for small business owners; we are seeing the impact on school budgets and the energy needs our schools have. It is true for families on fixed incomes, large and small businesses alike. This has a universal effect throughout the country. It is not just a regional problem, but one that will require a national solution. It is going to require bipartisan cooperation and some creative thinking in this body and throughout the country to come up with a long-term sustainable comprehensive energy policy.

All of us are anxious to see where the Bush and Cheney administration goes with their report. I think some of the preliminary indications are a little disheartening, the fact that they are concentrating so much and focused so much on the exploration and production of more fossil fuels. I do not think having greater dependence and reliance on fossil fuels is a sustainable or a sensible long-term energy policy: A, fossil fuels are in finite supply to begin with; but, B, there is a plethora of scientific evidence and the scientific community has rallied around the evidence that exists pointing to global warming and the greenhouse effect, which has been spurred by the increase in consumption and the burning of fossil fuels. So naturally, you would not think that any long-term energy policy would require an increased reliance on fossil fuel consumption.

□ 2045

I hope that is not the report that they produce next week, but I was also disheartened by Vice President CHENEY's discussion about the role of conservation in this country. He does not think it should be part of the long-term solution. That was surprising given the fact that corporate America has been investing hundreds of millions of dollars to upgrade their machines and tools that they are using, trying to invest in the latest technology, whether it is heat exchanges or cooling equipment, things which are reducing energy costs and increasing worker productivity.

I think the Vice President should talk with corporate America about the role of conservation, because they see the need and they are taking affirmative action.

The work product that we have been involved with so far is long-sighted, and it is reasonable. I am talking about the benefits of increased energy efficiency, a new generation of energy resources that will look at the possibility and the potential of renewable and alternative energy sources.

I am also talking about the need to upgrade our energy infrastructure in this country so it is efficient and cleaner and it is safer in whatever region that we are talking about.

The role of conservation I think many people just intuitively understand and get; otherwise why do we have so many Americans participating in recycling programs, for instance? But also the greater need for industry cooperation and collaboration. These answers are not going to be just found in the public sector by elected representatives, but it requires an integral public and private partnership to pull this off.

The United States of America has 4 percent of the world's population, but we are consuming over 25 percent of the fossil fuels produced in the world. We are increasing our energy consumption 20 percent every 5 years in this country. If we do not have a long-term solution with multiple pieces to find the right answers, that obviously is not going to be a sustainable energy policy.

I am ranking member on the Subcommittee on Energy and Mineral Resources on the Committee on Resources. We have been holding hearings in regards to energy policy and fossil fuels and the role of fossil fuels. Last week we had a very good hearing on the potential of geothermal power in this country; a tremendous potential, especially on the West Coast in Nevada and California. California already is consuming roughly 10 percent of their energy from geothermal power.

Other countries are taking a lot of action, a lot of proactive steps. Even a country as small as Kenya is making a major infrastructure investment in geothermal power for their long-term energy needs. It is projected right now in Kenya, over 25 percent of their energy will come from geothermal sources within the next 15 years. This is true whether you talk about South America, some of the countries in Asia, except for the United States.

I submit that one of the reasons for that is because we have become complacent and take for granted the cheap energy sources, mainly fossil fuels, which have perpetuated the industry without enough investment and forward-thinking with alternatives and renewables.

Wind power, to give you another example, it was a short period ago where it was costing anywhere from 20 to 30 cents per kilowatt hour with wind that is being generated. Today that is down to about 2 to 3 cents, a tremendous increase in efficiency in bringing it into market competition.

The same is true for solar and biomass opportunities. The research and development on fuel cells is tremendously exciting. We are starting to see prototype automobiles being developed by these companies at the forefront of fuel cell development. It is already powering our space shuttle on the missions up there. There is no reason why we cannot implement this at home, in our appliances and our machines that we are using to produce goods.

All of this needs to be a part of the equation. I do not think anyone standing alone is going to be the answer.

Needless to say, we have our work cut out for us in this body, the current administration, the private sector, and the American people. By working together, I think we do have the ingenuity to come up with something that is going to be sustainable for future generations.

I look forward to working with the gentleman from Washington (Mr. SMITH) and the gentleman from Washington (Mr. LARSEN) as we move forward in the new Democratic Coalition trying to put together this comprehensive piece, something that makes sense from region to region and is national in scope. Certainly there is enough interest being generated by our folks back home. They are looking for some long-term answers to this energy crisis that they see.

Hopefully by working together, and again in a bipartisan fashion, we will be able to come up with a plan that is needed in the future, given our current consumption levels, but also given the incredible potential that exists with technological breakthroughs and the research and development that is already ongoing. I thank the gentleman from Washington for organizing this special order tonight. I am sure that this will not be the last of our conversations on this topic.

Mr. SMITH of Washington. Mr. Speaker, I want to thank my colleagues for doing an excellent job of talking about the problem and where we need to go in terms of finding solutions. This is a great opportunity for this Congress and this President to work together in a bipartisan way. The President has talked a great deal about wanting to change the tone in Washington and work in a different way. There is some frustration, particularly amongst moderate Democrats like myself, that that has been more rhetorical at this point than actual, but there is still plenty of time. We are a little over 100 days into this, and there are some very important policies that are yet to be fleshed out.

The President, by taking a focus on energy, could make a huge difference by bringing people in. I think if there is any issue out there that should be bipartisan, it is certainly energy. It is critical to everything that we do, as was outlined by my colleagues quite well.

But I think the critical element in all of this is understanding both the cost of taking the approach that says fossil fuels are the only way to get us out of this, and also the rich field of opportunities to go a different route. Just think about it.

Building a power plant a week for the next 20 years to burn more fossil fuels, the impact of that cannot be underestimated; the sheer cost of doing it, the damage to the environment of both building the plants and also of the consumption of those fossil fuels. That is not to say, as all of my colleagues have done a great job of saying, that this should not be a critical part of it. We

are going to have to use fossil fuels and build power plants; but we should look at the cost and difficulties in doing that and understand that an alternative is preferable, and then look at the alternatives and say, you know, it is not an impossible dream.

There are alternative technologies out there right now that are working. There are ways to conserve energy in a way that will save us dramatically, and that is with what has been a relatively meager investment in those technologies and conservation techniques. Think of what we could do if we actually committed ourselves to solving that problem.

Mr. Speaker, I think it is worth the investment and worth the time and energy on our part to do that and come up with the alternatives and build a brighter future that is not as dependent on the constant fossil fuel cycle that we are going through and make us so dependent on foreign nations for the future of our country.

I thank the new Democrat Coalition in putting this special order together, and I look forward to working with them as well as everyone else in the Congress and the administration and throughout this country to come up with an energy policy which will sustain us for the future.

ENVIRONMENTALIST ORGANIZATIONS EXPOSED

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

Mr. HANSEN. Mr. Speaker, many years ago when I was a student at the University of Utah, I recall working at different jobs after class at night and weekends in order to make ends meet and pay my tuition. Money was tight. I was newly married. I had a wife and child to support, but I still remember sending \$25 to the Sierra Club in response to their advertisements because I felt strongly about protecting our air and water and preserving our forests. But I was moved to donate to that particular organization by what they had to say, and during the 1960s and 1970s, I believed that our Nation urgently needed a wake-up call to action to stop the dumping of raw sewage and industrial waste into the Nation's waterways, and to find ways to try to save endangered species like the bald eagle and the grizzly bear.

I saw some of those problems firsthand, and I felt strongly about that, and contrary to what groups are saying, I still do. I believe some advocacy groups like the Sierra Club played a constructive and valuable part in helping to focus public attention on these problems.

In those days I recall the Sierra Club actually funding some restoration projects which were laudable. They were doing more than just sounding