

working together and putting aside partisan politics for the benefit of our country. We need to really not forget how important that is to our people at this very critical time. So I thank the Senator from West Virginia for his remarks.

Mr. BYRD. I thank my friend, the Senator from Ohio, for his kind comments.

THE IMPORTANCE OF AN ENERGY POLICY

Mr. VOINOVICH. Mr. President, earlier today I joined colleagues to underscore the importance of an energy policy to our national security. One of the reasons I came to the Senate was to adopt an energy policy. I lived with the lack of one as the mayor of the city of Cleveland and as Governor of the State of Ohio.

An energy policy is needed to secure our national economy and guarantee our competitiveness in the global marketplace and now, more than ever before, to secure our national security. We do indeed have to harmonize our environmental needs and our energy needs to continue to improve the quality of our air and water, public health, and at the same time guarantee we have the resources at reasonable cost to meet our energy needs.

In my opinion, we are in the midst of an energy crisis, one that is having a tremendous influence over the state of our economy and is affecting the quality of life of the American people and their confidence about the economic future of our Nation.

I believe this crisis is caused by several factors. One, as I mentioned, the national energy policy, is faulty. Two, we saw in California a deregulation law which could be looked at in other parts of the country. Three, environmental policies have contributed to a lack of diversity and difficulties in siting new facilities, pipelines, and transmission lines. The definition of something called NSR, new source review, has put utilities and manufacturers in limbo to the extent they are doing nothing to improve the environment, and at the same time doing nothing to improve the availability of energy in our country. Fourth, we are too reliant on foreign sources of oil. Fifth, I think we have had an inappropriate demonizing of nuclear power in this country.

As the Presiding Officer of the Senate knows, in his part of the country, many States rely heavily on nuclear power. Today we are a fossil fuel-based economy. Although there is broad recognition there will eventually be a shift away from primary reliance on fossil fuels and a greater use and emphasis on other resources, there are many people who would argue that alternative fuels are the answer to our energy crisis.

Yes, several alternative energy sources exist today. They are either inexhaustible: solar, wind, nuclear; or renewed through a natural process: hy-

dropower, plant-based fuels such as ethanol and vegetable oils.

Currently, the contribution of alternative energy sources to U.S. needs range from less than one-tenth of 1 percent from wind and solar power, 3 percent from hydroelectric and biofuels each, and 8 percent from nuclear energy. Today, however, fossil fuel reserves appear to be adequate to serve this Nation's current energy needs, with a 70-year reserve for oil and approximately a 250-year reserve for coal at current consumption rates.

One of my colleagues noted that wind power is the fastest growing source of electricity in the world and we should look to it more seriously as an alternative energy source. Another colleague pointed out that solar panels covering 100 by 100 square miles would produce enough solar energy to power this entire Nation.

The truth is, although alternative energy sources are being used in some places across the country, we have been subsidizing solar and wind power for over 25 years. Combined, they make up only one-tenth of 1 percent of the total energy demand today.

Renewables are now generally costlier than fossil fuels. For example, solar power is currently 8 to 10 times more costly. Even assuming an optimistic technology scenario, it will take at least 30 to 40 years before renewables energy infrastructure could be built from its current level to start contributing significantly to our energy supplies.

In this chart we are talking about the impact of the lack of an energy policy. Costs have a disproportionate impact on low-income families. Since the beginning of the 107th Congress, I have been holding hearings across my State. I have asked individuals and business owners to relay their experiences on how the energy crisis has impacted them. In Cleveland, for example, I held a meeting with Catholic Charities, Lutheran Housing, the Salvation Army, senior citizens, low-income parents, and handicapped individuals.

I heard many heartrending stories about their struggles to be able to afford their monthly energy bills. The Catholic diocese said in the year 2000 their help line received 3,400 calls for basic needs, items such as food, utilities, mortgage, and rent. The number of calls the diocese received went up 96 percent from 1999 to 2000, a 194-percent increase from 1998 to 2000. In the first 7 weeks of 2001, the Salvation Army in Cleveland had 559 families seeking assistance with energy costs. In comparison, for all of 2000 they had 330 families.

On this chart, the Department of Energy demonstrates an individual or family making less than \$10,000 a year is going to spend 29 percent of their income on energy. Those making between \$10,000 and \$24,000 spend about 13 percent of their income on energy. Those making over \$50,000 spend 4 percent. It is obvious, for some of our

brothers and sisters, the choice sometimes comes down to paying for heat or paying for food. Because of this, many of them had to rely on hunger centers for their meals and other necessities.

The next chart shows the principal sources of energy today are oil, natural gas, and coal. It goes without saying that these fuels have become essential elements in creating our way of life. Despite the fact that each year we use energy more efficiently, energy demand rises about two-thirds of the rate of economic growth. With the funk we have in the economy, that is a little bit down right now. The chart shows that nuclear, hydropower, and nonhydropower renewables and others make up a very small percentage of production. Any shortfall created between production and consumption of the other three main sources of energy—natural gas, oil, and coal—will be made up from imports. For example, oil imports have risen from 36 percent in 1973 to 56 percent in the year 2001. Refined gasoline net imports have risen from 1 percent in 1980 to approximately 5 percent in 2000. This increase in imports has been necessary to make up the difference from our closed refineries. Oil and natural gas demand is expected to continue to grow for the foreseeable future—oil at about 2 percent a year and gas in excess of 3 percent. Alternative energy sources such as wind and solar power are being pursued but will not alter this outlook for decades to come.

Next, U.S. energy production. Now that we know how much Americans can expect to consume over the next two to three decades—we are talking from 1995 to the year 2020—it is important to see how that expectation will be met, given our current state of resources. This chart shows how much energy we produce domestically by fuel type. We can see the hydropower. We can see the nuclear, nonrenewables. We have petroleum. We have natural gas. We have coal.

According to the Department of Energy, natural gas is expected to be the fastest growing component of world energy consumption. We saw that this winter when gas prices skyrocketed. Gas use is projected almost to double to 162 trillion cubic feet in 2020 from 84 trillion in 1999. If we do not increase infrastructure, installing more pipelines, the increased production will not reach our consumers.

According to a study by the non-profit operator of New England's power grid, New England will be increasing its natural gas demand from 16 percent in 1999 to a projected 45 percent in 2005, but they lack the local pipelines to distribute the gas to its markets.

With that in mind, we also know there is an estimated 40 percent of undiscovered natural gas located on land leased by the Federal and State government. These resources will be needed to be tapped to accommodate the inevitable increase in natural gas consumption. If not, then we face the hardship of increasing dependence on

foreign resources that will have the capacity to cripple our energy economy. The challenge to produce more oil and natural gas is greater because the production of our existing resource base is subject to a natural decline through depletion.

Fuel cells, electric vehicles, hybrids, biomass, solar technology, and wind energy, all represented on this chart as nonhydropower renewables, are all very promising alternative energy sources for the future. But right now there is no suitable infrastructure in place that will allow for these energies—even when combined, as you will see in later charts—to sufficiently supply current needs, much less future demands.

Let's look at U.S. energy consumption. The green line is the consumption of energy in this country. The red line represents the current production. And of the projections, the purple line represents renewables, including hydro and nonhydropower. In other words, the difference between the green and the red line is what we are having to bring in from out of the U.S. sources in order to meet the needs of the United States of America.

Americans do consume more energy than we produce and will continue to consume more energy, especially fossil fuels, for decades to come. Although several sources exist today, the chart reflects, as I said before, that the contribution of renewables and others is very little, if you look down the road.

This means that our President is right. We need more refineries. We need more electric powerplants, more coal, more natural gas pipelines and production. It is plain to see that we will not be able to conserve our way out of this crisis. While conservation helps—and it has rightly made a difference—it is not going to meet our estimated consumption without drastically changing America's standard of living.

The United States of America is the world's largest energy producer, consumer, and net importer. However, it is no secret that the United States is becoming more and more dependent on foreign oil imports.

This chart reflects what we have to look forward to by way of dependence, out through the year 2020. If we look at our petroleum consumption and look at it here on this chart, and this green line is our petroleum production, what we are faced with is, between 2000 and 2020 we will be relying on oil from foreign countries. It is an enormous amount of oil. We will be depending on them for an enormous amount of oil.

Total imports in the month of April, for example, this year, as a percentage of total domestic petroleum deliveries was 62.4 percent. At this time last year, it was about 59 percent. The total petroleum products delivered to the domestic market in April equaled over 19 million barrels per day, while in the same month last year it delivered about 18.5 million barrels per day.

The scarce petroleum resource is not a problem experienced only by the United States; this energy crisis is experienced across the globe, so much so that as foreign countries realize the increase in their own energy needs, they will be far less willing to accommodate the growing export demands our country is going to place upon them. For example, China used to export oil. Today they are a big importer of oil. The demand for oil is growing worldwide.

But even with increased reliance on foreign oil as a country, we are not going to go far if we do not work earnestly to expand the natural gas and oil pipeline system we have in our country. Our Nation's 200,000-mile oil pipeline system is the world's largest. These almost invisible ribbons of steel deliver more than 13.3 billion barrels of crude oil and petroleum products in a typical year. Without them, it would take thousands of trucks and barges clogging the Nation's roads and waterways to do the same. The capacity of the system, however, is being seriously eroded and the future of oil and natural gas transmission does not appear to be promising.

If we refuse to act, the alternative will be a continued capacity squeeze and higher transmission costs passed on to the consumer. And in some areas they are very expensive.

This chart shows what we can expect under three different energy production scenarios through the year 2020. The top line assumes energy use with respect to economic growth. This means that if we as a nation continued along the same lines as we are currently traveling, to the year 2020, with energy demands rising in proportion to economic growth, and there were no further technological advances made, then consumption would increase dramatically.

The bottom line represents energy production growth without significant changes.

The second line is what the Department of Energy predicts will happen if consumers are offered a menu of available technologies to choose from, an example of which would be a family replacing a vehicle after several years of use, with a more fuel-efficient one.

What happens is, if you use this chart, if we use energy production with available technology and conservation, we will bring down the need. Then if we fold in energy production using available technology, we will bring it down some more. So this shows that by using technology and conservation, we can bring down this demand for energy in this country.

But the fact is, we still have a long way to go, if you look at the difference between this green line and this gray line. This is the amount of energy we are going to have to make up for during the years to come.

The third path, as I already mentioned, reflects the impact of conservation at its height.

The point I am trying to make is that we have an enormous gap between what we are going to need, in terms of energy in the United States of America, and our production. That gap will have to be made up by foreign imports if we do not act quickly to accommodate this increased demand with our own resources. There is no guarantee that these foreign imports will be available.

I believe we are more vulnerable today than ever before. Early this year, I visited with President Mubarak, for an hour, with Senator SPECTER. Then we traveled to Israel and met with at that time Prime Minister Barak, Shimon Peres, and now-Prime Minister Sharon, and several Arab leaders. I came back from that trip very concerned in regard to the growing Muslim extreme fundamentalism in that part of the world. The thought I had was that if this continued to grow and they impacted on our allies in that part of the world, we could be brought to our knees in terms of our ability to get oil from that part of the world.

I think most people would agree the situation today is far more scary than it was then. As you know, our major source of oil there is the Saudis—good friends. I am pleased the President and Secretary of State have worked with some of our friends there and they are stepping up to the plate and being responsive to our needs. But there is no guarantee. Osama bin Laden, who has targeted the leadership in Saudi Arabia, could change that situation.

Then the issue is, Where do we find ourselves? If we think about what happened in California this last year, and the urgency, the crisis, and the impact that it had on the rest of the country, it affected businesses in the State of Ohio. But when that happened, we started burning dirty diesel. Environmental restrictions came off, and we just went to town to take care of the problem we had in California.

Can you just imagine what would happen in this country if our oil supply was cut off? It would be Katy bar the door. We would get oil from wherever we could, and environmental concerns would go straight out the window because we would need to keep our country going.

What I am saying is that it is time we adopt an energy policy in this country. It is something that cannot be delayed. This is not a Republican or a Democratic issue. We have a real problem that needs to be solved. Our national security is in jeopardy, and we need to go forward and deal with this problem before we leave the Senate this year.

As far as I am concerned, it is just as important as the proposed legislation we have to stimulate the economy. If we don't have an energy policy as part of that economic stimulus and if we cannot guarantee that the future looks bright in terms of our energy costs, we are in deep trouble.

Part of the recession in the State of Ohio occurred this last winter when

the price of heating oil went up because of the demand for natural gas. It struck a blow to many of the businesses in our State, let alone those people who I talked about before who live in our inner cities and who do not have the kind of furnaces we have, the windows, and all of the other items that are available to those who are a little bit more fortunate.

I am urging my colleagues in the Senate to arrange to work out some agreement where we can bring this energy issue to the floor and debate it. I am sure there are going to be controversial issues, but we have dealt with controversial issues before. Let's get it on the floor. Let's amend it. Let's debate it and get it over with so we can secure our economic future, secure our competitive position in the global marketplace, and, last but not least, secure our national security.

Thank you, Mr. President. I yield the floor.

THE PRESIDING OFFICER (Mr. CORZINE). The Senator from North Dakota.

Mr. CONRAD. Mr. President, first I rise to compliment my colleague, the Senator from Ohio, on his presentation. I think it was a very useful one. I personally enjoyed it and learned from it. I thank my colleague for the effort that went into that presentation on our energy needs in this country. I thought he did an excellent job of presentation.

FARM POLICY

Mr. CONRAD. Mr. President, I rise today to talk about farm policy. We have just now heard that the administration has endorsed Senator LUGAR's farm plan, which fundamentally, in my judgment, abandons family farms and the rural economy.

The farm plan that the administration is now supportive of is radical and it is ruinous. I don't know how to sugarcoat it. This is an absolute unmitigated disaster for the rural parts of the country.

The President is, in essence, backing a plan that eliminates farm programs—this at a time that our major competitors, the Europeans, are outspending us 10 to 1 in support for farm producers, and in terms of export support they are outdoing us 30 to 1.

It is no wonder that these are hard times in farm country. It is no wonder that when I go home to North Dakota—one of the most agricultural States in the Nation—farm producers tell me they wonder why they should stay in agriculture when there is virtually no financial return. There is enormous risk.

The plan the President has endorsed is an absolute abdication. It says we are going to eliminate AMTA payments immediately. It says we are going to eliminate in just a few years the marketing loan program. It says we are going to eliminate the sugar program, the dairy program, and the

peanut program. For all of that, it substitutes a voucher system that is woefully inadequate, and which will leave tens of thousands of farmers in a position of financial failure.

That is the plan this President has endorsed. That is the plan the President would impose on farm producers across this country.

I cannot say strongly enough what an absolute economic disaster that plan would be for virtually every farm State in the Nation.

What the President is calling for is abandoning of farmers in every part of America. What the President is saying is he doesn't like the previous farm policy. Very few of us do. His answer is a farm policy that signals retreat. His policy would say to our European adversaries and competitors: You take the agricultural markets. You become the dominant producer in the world.

That is a profoundly wrong policy for this country. I am certain the Europeans are taking great comfort today in the announcement by the White House that they back a policy which is a policy of unilateral surrender. I do not know how else to term it.

If this policy were ever to become the law, you would see mass bankruptcy all across the rural parts of this country.

One of the farm group leaders in my State was in my office. I described for him the plan that the administration had endorsed. He thought I was joking. He thought I was putting him on. He could not believe that this would be a farm policy endorsed by this or any administration. In fact, when I asked a group of farm leaders what would happen if we saw the kind of cuts that the President's plan would impose, he said it would mean the race to the auctioneer.

This is a serious matter. The irony is that at the very time this administration is arguing for a stimulus package for the economy, they are proposing a package for agriculture that is the opposite of a stimulus package. It is a package that would destroy many of the farm producers all across this country.

My State is perhaps the most agricultural State in the Nation. This farm policy now endorsed by the Bush administration would be a devastating blow to North Dakota.

A few months ago, the President came to North Dakota and said his administration would be farmer friendly. Now we see a complete abdication on that commitment. Now we see a total reversal with the President proposing a plan that would be an absolute calamity—an economic calamity—not only for North Dakota but for South Dakota, for Nebraska, for Minnesota, for Montana, for Iowa, and for every other farm State in this Nation.

This cannot be.

I hope over the weekend people will reflect on what has happened. I hope all across this country farm group leaders and farm producers will call

the White House, call their representatives, and call their Governors and urge them to tell the White House they have to reverse course. We cannot abandon rural America at a time when the rest of the national economy is already in trouble. We cannot say to America that we are going to provide stimulus to help the economy recover in the urban parts of the country but we are going to abandon the rural parts of our Nation. That cannot be, and it will not be.

I am saying to my colleagues that no stimulus package is going to pass here unless all of America is included—unless the rural parts of this country and the urban parts of the country are treated with respect.

This proposal and this plan is an absolute unmitigated disaster for farm families.

Mr. REID. Mr. President, will the Senator yield for a question?

Mr. CONRAD. I am happy to yield.

Mr. REID. I asked a number of Senators from farm States today—I read an article in the newspaper. We are not a farm State. We grow alfalfa. Agriculture is a very minor part of Nevada's economic base.

I asked a number of people about this article in the newspaper. Some had not read it yet. I hope the Senator from North Dakota will continue speaking out on this issue because there are not many farm States remaining. We need some leadership because of what we read in the newspaper, which spins pretty well, that they are going to stop all these things that appear bad for farmers.

I have followed the lead of the Senators from the Dakotas and Iowa in what I think is good farm policy because I know it is the lifeblood of the State of North Dakota.

I hope you continue to speak out, just as you have. We need to hear that in the non-farm States. So I ask the Senator a question. I hope you will speak out on this more than just today. Will you?

Mr. CONRAD. You can count on that.

I say to my friend from the State of Nevada how much we appreciate the assistance he has provided on key farm issues over the years. This is a real jolt to the people I represent because agriculture is the dominant part of our economy. I think people in our State recognize very well the devastation a bill such as this would mean. And I tell you, these are hard times already in our State. Just as we have suffered an economic downturn in this country, we have been facing hard times in agriculture the last 4 years.

In fact, the Senator well remembers we have had to write four economic disaster bills for agriculture in the last 4 years. Every year we have had to write an economic disaster rescue package for our farmers. Without it, tens of thousands of farm families would have been forced off the land. That is the hard reality.

Now this administration endorses a plan that would prevent us from having