

Hutchison	McConnell	Schumer
Inhofe	Mikulski	Sessions
Inouye	Miller	Shelby
Jeffords	Murkowski	Smith
Johnson	Murray	Snowe
Kennedy	Nelson (FL)	Specter
Kohl	Nelson (NE)	Stevens
Kyl	Nickles	Sununu
Lautenberg	Pryor	Talent
Leahy	Reed	Thomas
Levin	Reid	Voinovich
Lincoln	Roberts	Warner
Lott	Rockefeller	Wyden
Lugar	Santorum	
McCain	Sarbanes	

NOT VOTING—9

Bingaman	Domenici	Landrieu
Bunning	Edwards	Lieberman
Clinton	Kerry	Stabenow

The nomination was confirmed.

NOMINATION OF KATHLEEN CARDONE, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TEXAS

The PRESIDING OFFICER. Under the previous order, the clerk will report Executive Calendar No. 304.

The legislative clerk read the nomination of Kathleen Cardone, of Texas, to be United States District Judge for the Western District of Texas.

The PRESIDING OFFICER. The question is, Shall the Senate advise and consent to the nomination?

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid upon the table and the President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

The Senator from Tennessee.

Mr. ALEXANDER. I thank the Chair.

(The remarks of Mr. ALEXANDER pertaining to the introduction of S. 1474 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

ENERGY POLICY ACT OF 2003—  
Continued

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. We are on the Energy bill.

Mr. DURBIN. Mr. President, I have an amendment pending on the Energy bill which addresses an issue I think should have been the first title of this Energy bill. This is an amazing bill and there is a lot of work that has gone into it.

S. 14 is entitled, "A Bill to Enhance the Energy Security of the United States," an ambitious undertaking. I think it is appropriate we are now spending this time debating this amendment and many aspects of it be-

cause we all know that energy is essential to America's future, to our economy, and to our environment.

If we do not do our best in the U.S. Congress to work with this Government and establish the right incentives for the production of energy, as well as the appropriate regulation of the use of energy, then the American economy and future generations will suffer.

The reason I offered an amendment to this bill, I was presumptuous enough to believe there is an element that has not been addressed. As I read this bill, I found there was a terrible omission. This bill does not address one of the major uses of energy in America today. Most people, most families, most businesses equate the use of energy with the electricity they use in their home but certainly with transportation. How did you get to work this morning? How are you going to pick up the kids? What are you going to use over the weekend to go shopping? How are you planning vacation? Almost without exception, each of those decisions involves the application of energy.

One would think an Energy bill that looks to America's future would not overlook this important element: Transportation and the use of energy for transportation.

Let me show a chart that indicates the amount of energy used for transportation as opposed to other sectors in America. This chart addresses U.S. oil demand by sector. The blue portion of the chart, which is the largest portion, shows over 40 percent of oil usage by the year 2000. Forty percent was for transportation, another small portion of about 15 percent was for industrial, another portion for residential-commercial, and a much smaller amount for electric generation.

If concern is about the use of energy and the use of barrels of oil, naturally one would focus on this chart and say this bill clearly must address this. S. 14 must address how we are going to reduce our demand for oil for transportation.

The honest answer is, the bill does not. How can you have a thorough analysis and a good legislative program addressing energy and ignore the fact that out of the 20 million barrels of oil we use each day, many of them from overseas, over 40 percent of them are related to the transportation sector? This bill virtually ignores it.

It is not that the words aren't in here but that the words have no teeth. The words are simply statements, little notes that we send out into space, saying: Wouldn't the world be better if we had more fuel efficiency? Wouldn't it be better if we had more conservation?

If you believe in the tooth fairy and Santa Claus, you will believe that these little notes tossed out into space are all we need to do here—just to give a speech on the floor, put an idea in a bill and hope that America finds it and, if they do, that they become inspired and show leadership and show the initiative.

I don't think that is the way it works. It has not worked that way in the time I have served on Capitol Hill, nor in our history.

Let's take a look from the beginning here at what we are dealing with. The vast majority of oil reserves, of course, are in the Middle East. This is an indication that 677 billion barrels of oil can be found in the Middle East as compared to 77 billion in North America. As a consequence, it is very clear that if we are going to have an oil-driven economy, we are going to find ourselves spending more and more time focusing on the Middle East.

People say, turn to Russia, turn to the former Soviet Union. Of course, that is not a bad idea. But the estimated reserves of oil in the Soviet Union are 65 billion barrels. It is the Middle East which has all the action, 677 billion barrels of oil.

Yet, in 1999, the United States and Canada consumed 3 gallons of oil per capita per day whereas other industrialized nations consumed 1.3 gallons per day and the world average was a half gallon a day. So when it comes to the consumption of oil, the United States, of course, leads the world, with Canada, dramatically.

If you take a look at how that oil is then used, as I mentioned earlier, from this chart you will find that cars, SUVs, pickup trucks, and minivans account for 40 percent or more of U.S. oil consumption; the transportation sector overall, about 60 percent.

When you talk about energy and America's security, how can you ignore this? How can you put together a bill as lengthy as this bill—let's see how many pages we have here. It is hard work by a lot of staff people and Senators. There are 467 pages. How can you have a 467-page bill addressing America's energy security and fundamentally ignore needs for fuel efficiency and fuel economy and conservation to reduce the consumption of oil in the United States?

I asked that question last night at a press conference in Chicago, which I am honored to represent. I said: If we are talking about dealing with energy, how can we miss this? How can we ignore the efficiency of vehicles?

This morning, I attended a funeral for former State Representative John Houlihan, of Palos Heights, IL. Before that, I dropped in for a cup of coffee at a local Dominick's supermarket, and a woman I didn't know came up to me and said: I listened to you yesterday. You are absolutely right. We have to do something about the gas guzzlers and fuel economy in the United States of America. Otherwise, we are going to need foreign oil forever.

She understands. She is a case in point. I don't know exactly what is her background. She appeared to be a suburban mom. Suburban moms have really been used a lot in this debate. Those who say we should do nothing, let the fuel economy continue to deteriorate in the United States, use women like

her who are mothers with children going back and forth to school events and soccer events and basketball and baseball and all the things that consume your time, and they say: You can't take away that mother's SUV; it makes her feel safe.

The fact is there is some safety attached to SUVs. But, sadly, there are just as many studies that suggest they are dangerous because of rollover and because of the impact they have on other vehicles. They turn out to be a danger on the highway. So safety is one of the elements that is contested about these SUVs. But what is not contested is they are terrible gas hogs. They guzzle gas and give you very limited miles per gallon.

In talking to families around my State and other places, they said to us: We would like to have cars and trucks and light vehicles we can use that are going to be of service to our family, and safe, but we also want to see better fuel efficiency.

My amendment that I introduced would save a cumulative 123 billion gallons of gasoline over the next 12 years. If we allowed drilling in the Arctic National Wildlife Refuge, we would extract less than one-tenth of that in that same period of time.

The new rule handed down by NHTSA would save about 20 billion gallons of gasoline, or one-sixth of what my bill would save by 2015.

A lot of people were talking about fuel cell vehicles, hydrogen-powered cars, and the like. It is a wonderful concept. We should certainly explore it. But the President's goal for these fuel cell vehicles would achieve a savings of less than 10 billion gallons of gasoline by 2015. That is less than a tenth of what my amendment would achieve.

The annual survey by J.D. Power and Associates found fuel consumption was the second most common driver complaint industry-wide. Studies show that consumers could save as much as \$2,000 over the lifetime of the car from higher fuel efficiency, even accounting for the cost of the new vehicle technology. My amendment would save \$4 billion in fuel costs for consumers by 2015.

This is an indication of the fuel savings. Here are some of the options that have been brought to us in the Senate in the course of this legislation. There are those who argue if we went to 10 percent fuel cell vehicles, this could really help us have more efficient cars on the road. Look at the limited savings in billions of gallons from that.

Of course, there are those who argue if we could just drill for oil in the Arctic National Wildlife Refuge, go into an area that was set aside and supposed to be protected, take away the rules, open it for exploration, oil exploration, that would solve America's energy needs. Look at the limited amount of value that has in terms of the production that would come out of that area.

Then, of course, NHTSA, the National Highway Traffic Safety Admin-

istration, has some new rules that would also amount to some savings. But all of these are down here below 50 billion gallons of gasoline that would be saved.

Now take a look if we would go for the standard that I am asking for in this amendment. That standard would move us, by the year 2015, to cars and light trucks at 40 miles a gallon and to other vehicles at 27.5 miles a gallon. The difference in savings is just dramatic. That is why my amendment has been supported, not only by groups who are looking for energy conservation but also groups who are very concerned about the environment.

The United States produces a third of the greenhouse gases emitted from automobiles worldwide. A third of the world's production of greenhouse gases comes right out of the U.S.A.

These gases affect every aspect of our lives: Agriculture, public health, the economy, our sea levels, and our shorelines.

Do you know the No. 1 diagnosis of kids going into emergency rooms and hospitals across America today? It is asthma—asthma. Go to any classroom, you pick it, and ask the kids, as I do every time I step in the door—you pick the grade—how many of you have someone in your family with asthma? I guarantee you at least a fourth, maybe half of that class will raise their hands.

Why is this? There are a lot of reasons; it is not just one. But one of them has to do with air pollution, and air pollution has to do with the ignition and burning of fuel sources such as oil.

So if you have inefficient vehicles that burn more gasoline per 100 miles, and that is going to create more emissions, it is going to create more public health problems. That is very linear and very direct.

The greatest environmental impact is felt at the poles. And I am not talking about the election day polls; I am talking about the North Pole and the South Pole.

Scientists predict that polar bears could be extinct within 100 years if we don't address global warming. In fact, scientists say it could be 50 years. If they are right that this species of animal faces extinction within 50 years, this is what you can tell your children and grandchildren. Take a good look at a polar bear at the zoo because it may be the last one you will see on Earth.

Is this scare tactics? Is this the sort of thing we say? Why does the Senator raise that during the course of the debate?

What I am trying to suggest to you is that this isn't just about a piece of legislation. It isn't about an energy security bill. It is about rational thinking.

Rational thinking would suggest to us in the course of this debate that if America is going to be more energy secure, we should depend less on foreign oil. The biggest consumer of oil in America is transportation. If we are going to reduce the consumption and use conservation, we have to do some-

thing about the fuel efficiency of the cars and trucks that we drive. If we fail to do something about that fuel efficiency, we will need more foreign oil. We will consume more oil, and in burning it, we will create more emissions in the air polluting the environment.

I don't think there is a single thing that I just described that is a big leap of faith. I think this is linear reasoning from point A to another point B. But this bill we are considering doesn't even take this into consideration but for a very symbolic gesture exhorting future generations to really get serious about this.

Forgive me. Future generations will have their responsibilities but we have a responsibility today. We have a responsibility to make this a more secure nation from the energy viewpoint. We have a responsibility to require reasonable standards for the creation of better technology and for more fuel-efficient vehicles. Unfortunately, this bill doesn't do that.

The amendment I am offering would cut a cumulative 250 metric tons of greenhouse gas emissions by the year 2015. Otherwise, right out of the tailpipe of our cars and trucks will come these emissions leading to more greenhouse gases and leading to public health problems which we know exist.

Earlier today, one of my colleagues from Oklahoma came to the floor—and it is his right to make this argument—and argued that this isn't a problem. He argued that climate change never exists, and, if it does, it is really not that harmful. I don't know how you can reach that conclusion.

Basically, we have been talking to scientists who are studying this issue with objective attitudes. They tell us things that are true—the extinction of species, the loss of polar bears, and receding ice caps. As a result of the receding ice caps, polar bears are having fewer young. As a result, we can just plot it out. Over a period of time they will become extinct. We also know that glaciers are disappearing. In a matter of 25 or 50 years, all glaciers on Earth are threatened and could be gone. Why? Because the Earth is heating up ever so slowly but in a way that is tipping the balance of Mother Nature against us. Why? Because we can't accept our responsibility on the floor of the Senate to say to the automobile and truck manufacturers around the world that if you want to sell in the biggest market in America, you have to do better.

I listened to my colleagues on the other side of the aisle and they basically say you can't come up with these technologies.

DURBIN, you are dreaming. There is just no way you could reach 40 miles a gallon in our cars. Today we are barely getting a fleet average of 23 or 24 miles a gallon. There is no way that in 12 years you could reach 40 miles a gallon.

Let me tell you what we do know. In 2002, the National Academy of Sciences found that existing technology could improve the fuel efficiency of light

trucks by 50 or 65 percent and the fuel efficiency of cars by 40 to 60 percent.

I am not an engineer. I used to think I could fix them. I gave up.

This chart shows some of the technologies that could be used that could literally lead to dramatic fuel savings. We are not talking about mopeds and people going around the United States on tiny little scooters. We believe that with some changes available today in technology we could have much more fuel-efficient vehicles with four-valve cylinders and variable valve timing.

Isn't it sad that when it came to these hybrid cars using gasoline and electricity, the first ones on the market were from Japan? I beg your pardon. As good as this Nation is, as smart as our people are, as many engineers as we have, why are we always running a distant second in developing technology?

There is promise that in a few years we will start seeing vehicles in America that have these type of engines. Thank goodness the Japanese did show the initiative. But we can do better.

What I hear from the other side is that it is impossible. The Durbin amendment is impossible. America is not smart enough to develop a fuel-efficient car, and don't put us to the test because if you do, we will lose; we will always lose to the foreign manufacturers.

When I hear this, it makes me angry. I do not see it that way. I look at how many foreign students want to come to the United States and learn. I know we have institutions of higher learning—some of the best in the world. Why is it that graduates of those institutions aren't going to work for the Big Three and other auto manufacturers to come up with the technologies to solve this problem?

I will tell you this. If my amendment is defeated, they won't have to. There will be no push to make these changes.

Let me show you one of the things that has happened. I think it is a positive thing. Let me give credit where it is due, having said the Big Three is a little slow to respond. Thanks to technology, many vehicles already exceed current standards.

Here is the Ford Focus station wagon—city, 27 miles per gallon; highway, 36 miles per gallon.

When I drive in Washington, DC, I drive a 1993 Saturn, a little car we bought used. It sure does run well. Two weeks ago, I took my wife down to North Carolina. It is about 350 miles in each direction. I put on the air-conditioner. It still works. I got 35 miles a gallon. It is possible. We don't feel like we are compromising for comfort. We drove that 10-year-old car and got 35 miles a gallon.

The Ford Focus has a station wagon. It is a little larger than what I drive: highway, 36 miles a gallon.

It can be done.

Hybrid technologies are already utilized in vehicles available today and point to the future. I talked about

those earlier. Unfortunately, too many of those are made in Japan. The ones on the road today are the Toyota Prius, the Honda Insight, and the Honda Civic, cars that have 50 percent or greater improvement in fuel economy.

I want to give credit where it is due. A Republican colleague, Senator BOB BENNETT, drives a Toyota Prius. I have seen him in that car. If you have seen BOB BENNETT of Utah who is about 6 foot 4 or 6 foot 5, you ought to see him fold himself into that car and out again. But he does it. He said it is a great car. It is really fuel efficient. It even squeezes a little bit of his stature. Giving credit where it is due, he has one of those cars.

I believe Senator BOXER of California also has one as well.

Again, Ford, GM, Saturn, Chrysler, and others are talking about more cars like this.

It isn't as if what we are discussing is the impossible. It is attainable. Certainly over a 12-year period of time it could easily be attainable.

My amendment recognizes these technologies are real and can be put to use and can be expanded in American innovation.

I am not going to stand here and quietly let my colleagues wave the white flag of surrender saying that we could never develop the technology in America to be more fuel efficient. I don't buy it. I don't think this Senate should buy it either.

In 1975, those same voices of doom and despair came to the floor of the Senate and the House and said 14 miles a gallon is as good as it gets, and if Congress imposes a requirement to raise those to somewhere near 28 miles a gallon, it will never happen; that America can't come up with the technology; that the Japanese will beat us to the punch; that the cars won't be safe; that we will lose American jobs. The litany went on and on. Thank goodness, Congress ignored it. Congress had the courage to vote against it. Congress imposed standards to increase fuel efficiency, and they worked.

We increased over a 10-year period of time almost double the fuel efficiency of the fleet across America. And we can do it again.

My amendment would require cars, SUVs, minivans, and crossover utility vehicles to achieve a corporate average fuel economy of 40 miles per gallon by 2015 and would require pickup trucks and vans to achieve a CAFE standard of 27.5 miles per gallon by the same year.

In addition, this amendment starts to close some loopholes. It would fix the definition of passenger vehicles, so those large SUVs, such as Hummers, are no longer exempt from the CAFE law. Did you know that? Hummers are exempt from the CAFE law. They can get 2 miles a gallon and there is absolutely no requirement of the law they do better. And I think they are getting around 2 miles a gallon. It would also

fix the definition of passenger vehicles so that SUVs, minivans, and CUVs are considered cars, not trucks.

I also offered a companion amendment we will debate when we get to the tax section of the bill which relates to tax incentives. My companion amendment would stimulate the market for more fuel-efficient vehicles by establishing a tax credit for the purchasers of vehicles that exceed the applicable CAFE standard by at least 5 miles per gallon.

This companion amendment also would modify the gas-guzzler tax levied on manufacturers by applying it to vehicles that are more than 5 miles per gallon below the applicable CAFE standard, including SUVs. So if you put a car on the road that is better than the standard, you get the tax benefit. If you don't, you pay a tax cost.

Now, I understand there is a controversy associated with this amendment. I have listened to some of the arguments made by critics of this amendment during the course of the day. They are certainly entitled to their point of view. I would like to address a few of the arguments.

Several of my colleagues came to the floor and said the Durbin amendment will cost consumers. The technology he wants to put in these cars will cost \$1,200 or more per car on average. While this is true—I will concede the point—the Union of Concerned Scientists finds that consumers will realize a net savings of \$2,000 over the lifetime of the car due to lower gasoline consumption.

So what do we get out of the deal? The consumers are ahead. It will cost \$1,200 more for the vehicle, but there is \$2,000 in savings. So there is a net gain of \$800 per vehicle, on average, according to the Union of Concerned Scientists. There will be lesser dependence on foreign oil and fewer emissions coming out of the tailpipes as fewer gallons of gas will be consumed. So there are pluses they ignore.

They also argue the Durbin amendment will cause Americans to lose their jobs. The Union of Concerned Scientists finds that increasing fuel economy to 40 miles per gallon will actually create 180,000 new jobs. You may say, How can this amendment do that? Won't we just give up automobiles to the Japanese and others to produce them?

I certainly do not think so, nor do I believe that should be our standard of action around here.

We are going to consider a trade bill the first thing tomorrow, and one of the premises of this trade bill is that America can compete. If you don't believe America can compete, you certainly don't want to allow other countries to export to the United States.

Well, I believe we can compete, and we have proven it. So why do critics of this amendment want to throw in the towel right off the bat and say we are just going to lose all the way around? What they are ignoring is that the creation of new technologies will result in

new jobs. These new technologies and new parts are going to have men and women working in good-paying jobs to create them. And the fuel efficiency that is involved is a savings to business. One of the costs of business, obviously, is fuel, as we have found when gasoline prices have spiked. If you bring down the cost of fuel by reducing consumption with more fuel-efficient vehicles, businesses can be more productive, and with that productivity have more competitive advantage and really employ more people.

The naysayers and people who want to hang the crepe in this debate just think it is all a loss—a very negative attitude.

Others argue this amendment is not necessary. There was an amendment earlier by Senator LANDRIEU of Louisiana. I voted for it. But that amendment, as I mentioned earlier—as good as it is, as well intentioned as it is—includes no new authorities to help reach the oil savings goal and no enforcement mechanisms to ensure the requirement will be fulfilled.

There is also an argument that the alternative amendment by my good friend CARL LEVIN of Michigan and CHRISTOPHER BOND of Missouri is based on sound science. Well, let me tell you, the National Academy of Sciences found that existing and emerging technologies are there to improve fuel efficiency. As I mentioned earlier, this report was written even before the hybrid technologies came to the market. So we know we can reach these goals if we just apply ourselves and set the standards.

The alternative amendment, which they are arguing for, does not require any increase in fuel efficiency. It delays it. It passes the buck to NHTSA and adds new roadblocks to the NHTSA's decisionmaking process. NHTSA has failed to make any meaningful increase in fuel economy for over 10 years. Its latest increase of 1.5 miles per gallon for light trucks is just a drop in the bucket, considering the standards were last changed for light trucks in 1985. And cars remain unchanged since then as well.

Another argument is that we are addressing fuel efficiency through the President's hydrogen fuel cell car. As I mentioned, this is several years to come and will not be as dramatic as those who argue against my amendment would have us believe.

So I say to my colleagues, when this amendment comes up for a vote tomorrow, there is a very real choice: either we are serious about energy or we are not; either we are prepared to say the three big automobile manufacturers in Detroit are going to continue to lose in competition or we are going to reach a different conclusion.

I think the men and women working for these companies are ready to rise to the challenge. I have seen them do it. I think the leaders of these companies need to be nudged because, frankly, they have a market today, a market

where very few cars and vehicles are that profitable, but SUVs and light trucks are profitable. They don't want to rock the boat. They want to continue to build and put on the highways these monster cars of dubious safety that are continuing, frankly, to consume oil at rates that are not good for this country and certainly not good for our environment.

There are two ways to get more fuel-efficient vehicles—guess three. One of the ways is to rely on the hope, as some of the authors do in this bill, that someday Detroit will wake up to this need. And when they wake up to it, they will lead the American consumers into wanting more fuel-efficient vehicles. I don't think so. We have 18 years of experience to argue against that. We have seen CAFE standards and fuel economy declining over the last 18 years. Detroit showed little leadership. Cars that are innovative in this area, unfortunately, are not built in the United States.

There is a second way to do it. If you raised the price of gasoline tomorrow—doubled it tomorrow—I can guarantee you most families and businesses, by the end of the week, would be asking a question they have not asked in a long time: How many miles a gallon do we get in this car, anyway? If you started asking that question, and realized you have a gas guzzler, you might make a consumer choice next time. But raising gasoline taxes or gasoline prices comes at an additional cost to the economy.

For individuals, workers, and families, it means an added cost of getting up and going to work. I don't want to impose that cost, particularly in the midst of this recession, with so many jobs we have lost. And for small businesses, it is an additional cost of doing business to have new fuel costs. It will force them, perhaps, to lay off people. I don't want to see that happen.

But there is a third option, and that is this amendment. It has been proven. We did it in 1975. We established CAFE. That was not even a word in the law until 1975. We said we can do better. And we did better. That is what this amendment does.

I am honored this amendment has been supported by many groups, including the League of Conservation Voters, which has made it one of their key votes for this session of Congress. They understand, as well as the Sierra Club, Citizen Action, and a number of other groups across the United States that any meaningful and serious discussion of energy security for America must include the issue of fuel economy and fuel efficiency.

If we pass this bill without real language and real law that has teeth in it to improve fuel efficiency and fuel economy, we will have done a great disservice not just to the people we currently represent but to future generations and to the environment, which will be damaged because of our neglectful attitude.

I hope my colleagues will, at this point, look beyond the big, special in-

terest groups that have come in and said: Please, stop the Durbin amendment; don't let him improve the fuel efficiency of vehicles. I hope they will listen, instead, to their own consciences and their own minds and hearts about what is at stake. We can make the right move for future generations. The adoption of this amendment will achieve it.

I hope my colleagues will join me in supporting this amendment.

Mr. HARKIN. Mr. President, I am pleased that my amendment to the Energy bill to create a demonstration program on production of hydrogen from renewable resources was adopted at the end of last week. The hydrogen title in the Energy bill contains a number of important provisions, many of which closely overlap with the Hydrogen and Fuel Cell Energy Act of 2003, which I introduced in April. Perhaps most important, it authorizes several significant demonstration programs for various applications of fuel cells. These programs are the critical next step in bringing hydrogen and fuel cells from the laboratory bench into widespread commercialization. They provide a realistic test of how the laboratory technologies work in the real world, and they provide funding for pre-commercial prototypes of the technologies, including starting to build a hydrogen fueling infrastructure.

However, there were no demonstration projects in the title on how we will obtain the hydrogen to run the fuel cells. The bill reauthorizes the Matsunaga Act to continue and improve research on a variety of hydrogen technologies, which we have been trying to enact for more than 2 years now. Elsewhere, the bill contains a massive and dubious subsidy for a nuclear plant in part to produce hydrogen, as well as support for production of hydrogen from coal, but there is nothing to demonstrate production of hydrogen from renewable resources.

Currently, most hydrogen is made by reforming natural gas. This is a relatively clean and efficient way to use natural gas. But there are still emissions of greenhouse gases and some pollutants. Equally important, use of natural gas for hydrogen continues our dependence on natural gas supplies. As the recent price runup on natural gas has shown us again, supplies of natural gas may not always meet demand, and prices can be volatile. I support use of natural gas to make hydrogen in the near future, but in the long run, hydrogen and fuel cells must help us reach an economy based on clean, domestic, renewable sources of energy.

This amendment will help us get there. It authorizes \$110 million over 5 years to conduct demonstration programs on production of hydrogen from renewable resources. The resources might include biomass, such as switchgrass and ethanol, wind energy, solar power, and other sources. The program would help prepare a variety of emerging technologies for renewable

hydrogen production for widespread use. These demonstration programs would be conducted using competitive merit review of funding proposals from a wide variety of companies and organizations, and they would require cost sharing from awardees.

Technologies that combine production of hydrogen with other activities show particular promise for clean, efficient production of hydrogen at this time. Two approaches are specifically included in the scope of the program. Biorefineries can make hydrogen, along with other products, from biomass. And in "electrofarming" the hydrogen is produced and used on the same farm or in nearby facilities. The hydrogen might be made by growing and reforming biomass, from wind energy, or from farm waste; it could be used in farm vehicles and equipment and for heat and electricity in farm buildings. By placing production and use together, this approach saves on transportation of the fuel or the hydrogen. It also avoids any large-scale energy facilities that might present security risks.

I am pleased this program will be in the portfolio of measures in the hydrogen title of the Energy bill that will help develop and commercialize hydrogen and fuel cell technologies, and turn into reality a vision of cars that don't pollute, of power that won't go out, and of feeling less dependent on an area of the world where we recently fought the second war in recent years.

Mr. BURNS. Mr. President, on behalf of myself and my colleague, Senator BAUCUS, I will offer an amendment to the pending Energy bill that will make it economically feasible to make improvements to and operate the Flint Creek Hydroelectric Project at Georgetown Lake in Granite County, MT. Specifically, this amendment limits the Federal Energy Regulatory Commission's, FERC, annual land use fee at the project to \$25,000 for so long as Granite County, or the neighboring county, Deer Lodge County, holds the license to the project. This amendment is very similar to legislation which Senator BAUCUS and I introduced in the 104th Congress and which was reported unanimously from the Senate Energy Committee.

The Flint Creek Project does not currently generate electricity, nor will it without a limitation placed on the FERC annual land use fee. Under the status quo, FERC's annual fee for the project would be more than \$83,000, an amount that simply makes the project uneconomic. The GAO recently released a report that concluded that the FERC generally sets land use fees too low for non-Federal hydroelectric projects located on Federal lands. In the case of the Flint Creek Project, the opposite is true.

The Flint Creek Project is more than 100 years old. It was operated by the Montana Power Company for many years. Since 1992, when it was transferred to Granite County, it has re-

mained idle. In order to become operational again, it will require more than \$2.3 million in investment. This includes building a new powerhouse that replicates the architectural style of the historic structure, installing new intake facilities, replacing the old woodstave line with a new low-pressure pipeline, new generation turbines, swiftgear equipment, stream flow control, data logging systems and a new substation and metering equipment to connect the project to the Northwest energy transmission grid.

All of this investment is necessary to get the Flint Creek Project up and running in an operationally efficient and environmentally responsible and safe manner. When these investments are made, the project will have an installed generation capacity of 2 megawatts. That translates into anticipated annual power sale revenues of between \$300,000 and \$350,000. Under the current FERC fee regime, however, the annual fee of \$83,000 would amount to nearly 25 percent of the gross revenues of the project. With this kind of bureaucratic overhead, no one with an ounce of business sense would make the \$2.3 million investment required to restart the project. My amendment reduces this annual fee to a level that fairly compensates the Federal Government for the use of its property, while at the same time encouraging investment in this project by assuming a modest rate of return.

As we sit here debating new mandates to diversify this Nation's energy portfolio and increase the amount of renewable electricity available for the marketplace, it strikes me that this is one small, site-specific yet beneficial way in which we can appropriately encourage new investment in clean, renewable electricity.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### LEGISLATIVE SCHEDULE

Mr. DASCHLE. Mr. President, I wanted to touch on a couple of matters prior to the time we adjourn for the day. I have come to the floor now on several occasions to talk about the concern I have with regard to the schedule for the consideration of energy. We have a mere 3 or 4 days left before the August recess is supposed to begin.

As we debated the Energy bill last year, I can recall so vividly how frustrated many of us were with the length of time it took to work through the many very controversial issues.

Energy is controversial. At the end of the day, we, in spite of our frustration,

passed a bill that ultimately acquired 88 votes. The vote was 88 to 11. Because we were persistent and because we stayed on the legislation, we were able to complete our work and ultimately get a strong bipartisan vote—88 votes.

That vote came after 24 days of debate, over the course of 8 weeks. We considered 144 amendments. At the end of that period of time, people felt as if they had their say. They had been able to offer their amendments. They expressed themselves and ultimately voted for the bill by an overwhelming margin.

Unfortunately, so far, we have not been able to allow the Senate to work its will in that way with the pending energy legislation. We have been on it 12 days. We have only had 12 rollcall votes. So we have averaged one rollcall vote per day. We have considered 35 amendments, but, as I say, only 12 of those actually required rollcall votes.

So we find ourselves now, at the end of the first day of the final week before the August recess, where we only saw the new electricity title on Friday—Friday night. I must say, that amendment alone—the electricity title—with all of its extraordinary geographical repercussions, poses very serious challenges to the Senate as we try to resolve the differences. So we have an electricity title that, I assume, could be laid down tomorrow. There will be amendments offered to the new electricity title because we know that, on a bipartisan basis, there is still a great deal of concern about it.

We have not dealt with global warming. That, too, is going to generate controversy and amendments. There are also the issues of the Renewable Portfolio Standard, CAFE standards, hydroelectric dam relicensing, Indian energy, nuclear subsidies, and natural gas. In my part of the country, in South Dakota, natural gas alone warrants all the attention of the Senate to absolutely assure that we somehow can acquire available supply and stabilize price. There are also energy efficiency incentives, wind energy, carbon sequestration, exploration in the Outer Continental Shelf and, of course, the energy tax package.

All of those issues have yet to be resolved. That was why on the last day prior to the July 4 recess I came to the floor to say if we are going to finish this bill, we better return to the legislation almost as soon as we come back because it will take that amount of time to accommodate the legitimate debates that must be a part of consideration of this comprehensive bill. Well, that has not happened.

Now we find ourselves in the last week before the August recess with, I am told, over 380 amendments pending. Somehow there is an expectation that we can finish. I can hear, perhaps, the charge at the end of the week that, well, the Democrats just didn't want to finish the bill. Opponents just didn't want to deal with it. So they were dragging it out.