

that we end up with a Capitol Visitor Center that is a source of great pride to everyone on Capitol Hill and is not an embarrassment to the taxpayers of this country.

It calls for a fantastic amount of oversight on his part and the part of the committee staff. Senator WAYNE ALLARD has done that. I joined him partially in his efforts, but he has really led the way. He has been diligent in holding monthly meetings on the Capitol Visitor Center, and I think they have been a great benefit for the public understanding of what is happening underground, as well as holding all of those accountable who were involved in the process. I thank him so much.

Our Senate bill that we brought into conference was a good and fair bill. I thought it addressed all of the demands of maintaining this great Capitol Building and all of the buildings nearby in a very professional way.

There is one aspect of this bill which troubles me, and that is the fact that there is some negative language in the conference committee report relative to our Capitol Police. What frustrates me about this is it was not done in the normal fashion. We did not have time to weigh the wording of this conference report. I think we should have been a little more circumspect in the language used. My reason for saying it is this: The men and women on the Capitol Police Force understand, as all of us who work here understand, we go to work every single day in what has to be described as one of the leading international targets for terrorism. The U.S. Capitol Building is a great symbol of freedom and democracy, and as a result is a great target for those who hate the United States and want to engage in terrorism. What keeps this building and those working here functioning is the men and women of the Capitol Police Force who night and day, around the clock, risk their lives for the visitors and staff who work here. These are fine people. They work extraordinarily long hours at great personal and family sacrifice. They ask little from us, other than the recognition that they are doing a good job. This conference committee report does not give them the recognition they are due.

Let me add another element. The Capitol Hill Police chief is Terry Gainer, a man I have known from Illinois for years. He was superintendent of the Illinois State Police. It is a large and professional organization that he handled extremely well as superintendent. When he was an applicant for this job at the Capitol Police Force, I thought you could not find a finer law enforcement official to professionalize this police force right at the moment when it needed to happen. He came to Capitol Hill, and he achieved that goal. I don't say that just because we are personal friends. I have spoken to many members of the Capitol Hill Police Force who do not know my relationship with him, and I ask them,

What do you think of the Capitol Hill Police? And they say it is a truly professional law enforcement organization.

It is true that mistakes are made in a large organization that is growing so fast with so many extraordinary external demands, but everyone who is honest has to concede that Chief Gainer and his professional staff have done an excellent job of putting together an extraordinary police force that protects this building and the people who visit and work here every single day.

I add my words to those that have been spoken and probably will be by others, we owe a great debt of gratitude to the chief. I thank him personally for coming here and taking on such an awesome responsibility not long after September 11 and really bringing peace of mind to those who get up and come to work in this building every single day.

If I can say a word or two about the mounted police, Chairman Ben Nighthorse Campbell, who was a predecessor to Chairman ALLARD from the same State of Colorado, has a passion for the mounted police. He loved horses and believed they were an important symbol in terms of the police force on Capitol Hill. Although we only have five horses—it is hardly a cavalry—the fact is, I think they achieved the goal that Senator Campbell set out for us to reach. They have become friends of visitors to Capitol Hill. I watch as the throngs of tourists gather around our mounted police, petting the horses, feeling as if they are part of an experience, a good and positive experience.

Almost from the start there have been people who have not given this mounted police force a fair chance. I hope we reconsider this someday. I understand the House Members were adamant that the mounted police be removed from the Capitol Hill Police Force. I hope we can reconsider. I honestly believe they could be critically important at important historic moments.

When we evacuated this building on September 11 and sent thousands of people out in front of this building, there was clearly a need for some crowd control and some crowd direction. These mounted police would have been invaluable at that moment. Because of this appropriations bill, they will not have the chance to serve in that capacity in the future unless we make a change.

I will close and yield to the chairman again and particularly thank the staff on both sides of the aisle: Carrie Apostolou, Fred Pagan, Christen Taylor, as well as Terry Sauvain, Drew Willison, Nancy Olkewicz of the minority staff, and Sally Brown-Shaklee and Pat Souders of my personal staff for the extraordinary work they put into this bill.

I yield the floor.

Mr. ALLARD. I thank the Senator from Illinois. I have cherished our relationship in being able to work with the Senator from Illinois on this bill.

I agree we have a lot of dedicated police officers out there and the Members of Congress need to appreciate all they are doing to maintain our safety, not only for us but for the visiting public.

Finally, I thank our full committee chairman, Senator COCHRAN, as well as the staff who were involved: Carrie Apostolou, Lance Landry, Christen Taylor, Fred Pagan, and from Senator DURBIN's staff, Nancy Olkewicz and Drew Willison.

I yield the floor.

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

The PRESIDING OFFICER (Mr. ISAKSON). Without objection, it is so ordered.

ENERGY POLICY ACT OF 2005— CONFERENCE REPORT

Mr. DOMENICI. Mr. President, parliamentary inquiry: Is the Energy bill now before the Senate?

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the conference report to accompany H.R. 6, which the clerk will report.

The assistant legislative clerk read as follows:

Conference report to accompany H.R. 6, an act to ensure jobs for our future with secure, affordable, and reliable energy.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, might I ask, is the bill under controlled time?

The PRESIDING OFFICER. Thirty minutes evenly divided.

Mr. DOMENICI. On behalf of the leader, I am going to ask consent regarding the stacking of votes. It has not been done. I ask unanimous consent that we now resume consideration of the energy conference report—which is the regular order—for the final remarks; I further ask consent that following that 30-minute period, the Senate proceed to votes in relation to the Interior conference report, Legislative Branch conference report, and the two votes in relation to the Energy conference report, as provided under the order, with 2 minutes equally divided between the votes.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

Mr. BYRD. Mr. President, will the Senator yield to me?

Mr. DOMENICI. Yes.

Mr. BYRD. Mr. President, I have some remarks to make, about 10 minutes of remarks. I want to commend Senator BURNS and Senator DORGAN for their work on the Interior appropriations bill. When might I make those remarks?

Mr. DOMENICI. I say to the Senator from West Virginia, there is a unanimous consent agreement here that has

the time allotted until we are finished with the Energy bill, and the votes thereon. That will not be a long time. But everybody knows we have 30 minutes right now for the Energy bill, and after that we will commence voting on three bills that are before us. I would think the Senate would want to stay to that order.

The PRESIDING OFFICER. If the Senator will suspend, the Senator from West Virginia was granted a unanimous consent order that he would have 5 minutes before the Interior conference report was voted on, which will take place after the 30 minutes allocated for final debate on H.R. 6.

Mr. BYRD. Very well. Will the Senator yield further?

Mr. DOMENICI. Please. Surely.

Mr. BYRD. May I make a further inquiry? Then, I am correct in understanding the Chair to say that I will have 5 minutes prior to the vote?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. That vote will be on what?

The PRESIDING OFFICER. The Interior conference report.

Mr. BYRD. The Interior conference report.

Mr. President, with the indulgence of the distinguished Senator from New Mexico, I ask unanimous consent that at that time I have 10 minutes rather than 5.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

Mr. BYRD. Mr. President, I thank the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I see Senator BINGAMAN in the Chamber. He is going to proceed, first, with the allocation of some of the time on his side of the aisle.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I yield 5 minutes to the Senator from Florida, Mr. NELSON.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. President, I thank the chairman of the committee and the ranking member, Senator DOMENICI and Senator BINGAMAN. They made a statement on the floor of the Senate in a colloquy with this Senator when the Energy bill was on the floor, and those two Senators kept their word. It had to do with drilling off the coast of Florida. I have said to those Senators how much I appreciate what they, in fact, have done, under considerable pressure in the conference committee.

I want them to know personally how appreciative I am that they held fast and prohibited, in the conference committee, for an issue to be injected that was neither in the House bill nor the Senate bill that would cause the drilling off the coast of Florida.

Why is this important to us? This Senator has made this statement many times, but there is a new wrinkle that I wanted to explain to the Senate, not having to do with geology that shows that there is not much oil and gas off of Florida, not having to do with the delicate ecosystem, not having to do with the \$50 billion-a-year tourism industry that depends on pristine beaches, but a reason for the preparation of our U.S. military in a time when we are at war.

We have these ranges that are off the coast of Florida. Is it any wonder that, in fact, when Vieques was shut down off the coast of Puerto Rico, they sent most of that training off of the Gulf of Mexico, off the coast of Florida, because of this Joint Gulf Range Complex. It is joint with all branches of Government. It involves land-, sea-, and air-coordinated training. If drilling were allowed in what is known as lease sale 181, that is what would happen. Smack-dab in the middle of that restricted airspace, that training area that is 180,000 square miles in the eastern Gulf of Mexico. Smack-dab in the middle of it would be the drilling for oil and gas. This portion in red was already agreed to back in 2001. This portion in the red hatch is the additional 4 million acres that would be added smack-dab in the middle of our military training complex.

The significance of it is that it has 724 square miles of additional land range. It has 3,200 square miles of airspace over adjacent land area. It has 17 miles of Government shoreline, with connected prohibited and restricted water areas. The combination of air, land, and water is the best location for the United States for extremely long-range precision weapons testing, such as the high-performance combat aircraft live-fire testing and training and large-scale complex joint training exercises and experimentation.

Given the thrust of DOD's recent BRAC recommendations, there will be more testing, training, and operations in the eastern Gulf, not less. So oil drilling in the eastern Gulf, as proposed by the administration, is the greatest encroachment threat to the Nation's largest unrestricted air and sea space for weapons testing and combat training.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NELSON of Florida. I ask unanimous consent for 30 additional seconds.

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

Mr. NELSON of Florida. Oil drilling is not compatible with weapons testing and combat training. Military leaders have been fighting this for years. Yet here we go again. The encroachment this time is even more serious because we are at war. This Senator, on behalf of the people of Florida—and, I hope, on behalf of the U.S. military establishment—will continue to oppose this. I thank the chairman and the ranking member for their holding fast in the conference committee.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I yield 8 minutes to the Senator from Wisconsin, Mr. FEINGOLD, to explain his motion.

Mr. FEINGOLD. Mr. President, I thank the Senator from New Mexico. I have a number of concerns about the conference report we debated last night and that we will vote on today. I intend to raise a point of order that it violates the Budget Act. I do, however, want to recognize the hard work that Chairman DOMENICI and Ranking Member BINGAMAN have put into this process. We all know that they have spent many long days and late nights to reach this point. The bipartisan manner in which they work is a definite improvement over previous Energy bills. I applaud their efforts.

Mr. President, Energy policy is an important issue for America and one which I can tell you my Wisconsin constituents take very seriously. Crafting an energy policy requires us to address important questions about, for example, the role of domestic production of energy resources versus foreign imports, the importance of ensuring adequate energy supplies while protecting the environment, the necessity for domestic efforts to support improvements in our energy efficiency, and the wisest use of our energy resources. Given the need for a sound national energy policy, a vote on an Energy bill is a very serious matter and I do not take a decision to oppose such a bill lightly. In my view, however, the conference report we consider today does not achieve the correct balance on several important issues, which is why I have to oppose it.

I have four fundamental concerns. This bill digs us deeper into a budget black hole. It fails to decrease our dependence on foreign oil. It rolls back important consumer protections. And finally, it undermines some of the fundamental environmental laws that our citizens rely upon.

First, Mr. President, the costs of this conference report are staggering. The Congressional Budget Office estimates that enactment will increase direct spending by \$2.2 billion between 2006 and 2010, and by \$1.6 billion between 2006 and 2015. Additionally, the CBO and the Joint Committee on Taxation estimate that this bill will reduce revenues by \$7.9 billion between 2005 and 2010 and by \$12.3 billion from 2005 to 2015. On top of the direct spending, the conference report authorizes more than \$66 billion in Federal spending, according to the watchdog groups The National Taxpayers Union, Taxpayers for Common Sense, and Citizens Against Government Waste. Our Nation's budget position obviously has deteriorated significantly over the past few years, in large part because of the massive tax cuts that were enacted, and we now face years of projected budget deficits. The only way we will climb out of this deficit hole is to return to the fiscally

responsible policies that helped put our Nation on a sound fiscal footing in the 1990s, and that simply means that we have to be sure that the bills we pass are paid for. To do otherwise is to simply dig our deficit hole even deeper, thus adding to the massive debt already facing our children and grandchildren.

Mr. President, second, the conference report we consider today will do nothing to reduce U.S. dependence on foreign oil. I cannot return to my home State of Wisconsin this weekend and say that I participated in a rushed effort to accept a 1,700-plus page conference report that will not do a thing to increase our oil independence. The conference did not accept the 10-percent renewable portfolio standard passed by the Senate, nor did it accept an amendment instructing the President to develop a plan to reduce U.S. oil dependence by 1 million barrels per day by 2015. I supported efforts to reduce our dependence on foreign oil when the Senate debated its bill, and I am extremely disappointed that the conference committee could not accept a reduction of 1 million barrels per day through 2015.

Third, the bill rolls back important consumer protections. The conference committee retained repeal of the pro-consumer Public Utility Holding Company Act, important New Deal-era legislation which has protected electricity consumers. My State of Wisconsin is acutely interested and concerned about the repeal of PUHCA and about ongoing abuses involving the unregulated corporate affiliates of regulated utilities. In addition to hearing from Wisconsinites, I have heard from contractors and other small businesses across the Nation that have been harmed by this unfair competition by affiliates of public utilities. I must say that I don't understand how we can give the nuclear industry loan guarantees and over \$2 billion in risk insurance, but we can't even give small businesses the assurance that unregulated affiliates of public utilities will not unfairly outcompete them.

I do, however, recognize the efforts of the chairman and the ranking member to protect language providing the Federal Government more oversight of utility mergers, which is important and I support. I am grateful for their willingness to further look into my concerns on unfair competition by public utility affiliates.

Fourth and finally, Mr. President, the energy conference report includes provisions that significantly weaken our commitment to the environment and to the health of U.S. citizens. Section 328 of the Energy conference report weakens the Clean Water Act by exempting certain oil and gas industry activities from compliance with both phase 1 and phase 2 storm water programs and, in the process, rolls back 15 years of protection. This is not an insignificant issue. Storm water runoff is a leading cause of impairment to our streams, rivers, and lakes.

The bill also exempts hydraulic fracturing from the Safe Drinking Water Act, and by doing so, risks contaminating drinking water supplies. Over 95 percent of Wisconsin communities and about 75 percent of Wisconsin residents rely on groundwater for their supply of drinking water. Nationally, approximately half of the U.S. population obtains its drinking water from underground water sources, according to the Government Accountability Office. Wisconsin citizens and all U.S. citizens deserve more than exemptions that could threaten the water they drink.

There are provisions of the bill that I fully support, and I am pleased that the conference committee included, but I can't support this conference report. According to estimates by the Congressional Budget Office, the Energy bill conference report includes direct spending of more than \$2.2 billion over the 2006-2010 period, exceeding the amount allocated by the budget resolution. I hope my colleagues will note this and will join me in sustaining a budget point of order.

Mr. President, I make a point of order that the pending conference report violates section 302(f) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator's point of order must come at the conclusion of debate.

Mr. FEINGOLD. I will defer.

The PRESIDING OFFICER. Who seeks time?

The Senator from New Mexico.

Mr. DOMENICI. Has the Senator concluded?

Mr. FEINGOLD. I have.

Mr. DOMENICI. I assume that Senator BINGAMAN has another person he would like to yield to. I will yield to one of his, Senator CANTWELL or Senator SALAZAR.

Mr. BINGAMAN. Mr. President, how much time remains?

The PRESIDING OFFICER. The ranking member has 2 minutes and 2 seconds.

Mr. BINGAMAN. In light of that, I know there are other Members, particularly on the Democratic side, who wish to speak. I believe Senator DOMENICI has some time to provide.

Mr. DOMENICI. Mr. President, I yield 3 minutes to Senator CANTWELL.

The PRESIDING OFFICER. The Senator is recognized.

Ms. CANTWELL. Mr. President, I thank my colleagues for their hard work on this important legislation. We are here to talk about passing an Energy bill that is not a complete answer to all our energy needs. This is not the end of discussion about energy independence and getting off our overdependence on foreign oil, but it is an important first step. My colleagues need to understand that the provisions in this bill are nuts-and-bolts important for our energy economy, moving forward. As a Senator who supports this legislation, there are certain technologies, certain investments in this legislation that I hope will win the day

and will help us build a different kind of energy economy, based on newer technologies and energy supplies than the ones we have today. But this bill represents a compromise that was forged in the Senate and was fought hard for by my colleagues, both Democrats and Republicans, when they went to conference.

I am proud that it has an extension of renewable production tax credits so that our utilities can continue to invest in even more renewable energy; that for the first time it has a renewable clean energy bond section, so that local governments and public power can make greater investments in renewable energy; that it has an extension of the renewable energy production incentive program for public power; that there are efficiency provisions in the bill for appliances and other types of standards that will save 3.5 quads of energy.

That is the same as building 85 powerplants. It has a hybrid vehicle incentive provision. It has a biodiesel incentive program. It reinstates the oil spill liability trust fund, which was going broke and which helps us clean up oil pollution, and taxes those who are the polluters. It has research on the smart grid technology that is going to get us more efficiency in our transmission system, and it has incremental steps to push the States toward better standards on net metering. For the Northwest, the electricity title in this legislation is clearly a victory, and I would say the efficiency title in this bill is also a victory.

We are moving closer to the key tools we need to upgrade our transmission system. We will have many more debates about what this body can do, though, to continue to diversify off of foreign oil. But we should take the step today to secure that transmission system and get reliability standards in place, something this body has debated now for more than 5 years. After a Western blackout, after a New York blackout, after people in Ohio and Michigan have been affected, the least we can do is push this legislation to improve the security and reliability of our electricity grid.

I ask my colleagues to support this legislation as a first step, a short stroke of success, and get about going back to the broader decisions we need to make truly start moving in the direction toward energy independence.

The PRESIDING OFFICER. The Senator's time has expired.

Who seeks time?

The Senator from Louisiana.

Ms. LANDRIEU. I seek 5 minutes under the majority time.

The PRESIDING OFFICER. The majority time remaining is 11 minutes 44 seconds.

Mr. DOMENICI. I yield 4 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 4 minutes.

Mr. DOMENICI. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Is it not correct that the point of order is going to be made? Can that point of order be made so the Senator will not have to wait? Can it be made just before the vote on the Energy bill?

The PRESIDING OFFICER. By consent, it can be made now.

Mr. DOMENICI. Otherwise it will be made then?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. The Senator can make it just before the Energy bill vote and we have 2 minutes on each side then. So the Senator will not have to wait now on that.

Mr. FEINGOLD. I appreciate that and I intend to make that point.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I rise today to support this Energy bill. I heard my colleague from Washington State speak beautifully and passionately about many of the important aspects of this bill. There are Members who can come to this floor and pick out one or two things they had hoped to get in that did not make it. We had a lot of arguments about this bill, a lot of debate, but overall it is very balanced legislation. It does look to the future, as well as holding on to some of the things in the past that have served us well.

It seeks to increase independence of the United States of America so we can produce more energy on our shore, under our control, to not only help boost our economy, make our industries more competitive, but most importantly make this Nation more secure when it comes to international involvements. Americans want lower prices at the pump, but they want to know that this Congress is taking action to make them more secure nationally. By being more self-reliant, we can.

Now, yes, we have to open up our shores to liquefied natural gas because our price is going through the roof, and unless we increase supply substantially and rather quickly, that price will remain high. It will put almost every industry in this country at a very serious disadvantage for international competition.

As Senator CANTWELL stated, it does give new protections for consumers from market manipulation. Senator DORGAN has led the fight with regard to hydrogen, with Senator BINGAMAN's help. It has opened up new frontiers for that. We have opened up new frontiers for renewable energy sources. As a Senator from an oil-and-gas-producing State, we do need to get beyond petroleum and this bill is helping us to do that.

Under Senator DOMENICI's leadership, we are expanding in an extraordinary way the nuclear industry, which is going to help Japan, France, and others who have been leading the way. It

is time for America to get with the program.

In my last 1 minute, let me compliment these leaders. We have not had an energy bill for 13 years. For 5 years, we have literally been laboring mightily to get a bill. Senator DOMENICI, Senator BINGAMAN, Chairman BARTON, and Mr. DINGELL, "the big four" as they have been called, have worked tirelessly, their staffs have worked tirelessly, and I might say with the patience of Job. This bill is balanced because these two leaders said they were going to build a bill together for the future of our country. As a Senator on that committee, I am so proud of the honesty in which they built this bill, the openness in which they built this bill, and the fact that no deals, to my knowledge, were cut behind closed doors. It was all open and actually on television so people could see the results of this work.

I commend that process to the Senate and the whole Congress and thank them for their extraordinary leadership and thank them, too, on behalf of the people of Louisiana and the Gulf Coast States for recognizing the contribution we have made of offshore oil and gas drilling and to get a very robust coastal impact assistance program that is going to mean a great deal to us and to the wetlands of America.

I yield back.

The PRESIDING OFFICER. The Senator yields back.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield 2 minutes to the distinguished junior Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. SALAZAR. Mr. President, I rise today in support of the Energy bill. I start first by congratulating my colleagues, the two Senators from New Mexico, the Land of Enchantment, Mr. DOMENICI and Mr. BINGAMAN, for their leadership in helping us get together what has been a true bipartisan effort. I commend them both for the process as well as for the end result of this legislation.

As I look at this legislation, it seems to me what we are embracing today is a vision for energy independence. I think Democrats and Republicans all agree what we need to do is to get to a point where this country gets rid of its overdependence on foreign oil. We need to do that for national security reasons, we need to do that for economic reasons for our country, and we also need to do it for environmental reasons.

From my point of view, this legislation is based on four cornerstones. One of those cornerstones is conservation and efficiency. There are more important measures in this bill that deal with conservation and efficiency. It is a new ethic for the 21st century. Secondly, embracing renewable energies from the ethanol provisions to dealing with the development of cellulosic eth-

anol, this bill gets us on the right direction where America can grow its way toward energy independence. Third, technology, research and development, we have lots of resources in America we can use to make sure we are having the energy we need for our country. The new technology that includes coal gasification and other kinds of technologies will help us move in that direction. And finally, balanced development, we need to continue to develop our natural resources in this country.

So from my point of view, this bill is a good bill and is moving us in the right direction. It is not a perfect bill and there are aspects of this bill some of us advocated for that we hoped would have been a part of this bill, but they are issues we can continue to work on. We can use this as a foundation from which to build. There is the issue of the renewable portfolio standard which was adopted by this Senate and we need to move forward continuing to try to address that issue in the way it has been addressed in my State. Finally, the issue of global warming and how we deal with that issue in the future is very important.

With that, again I commend the Senators from New Mexico, Mr. DOMENICI and Mr. BINGAMAN.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator OBAMA be given 2 minutes and it not be included in the majority time.

The PRESIDING OFFICER. Is there objection to the Senator from Illinois being granted 2 additional minutes beyond the time originally granted to both sides?

Without objection, it is so ordered.

The Senator from Illinois.

Mr. OBAMA. Mr. President, I rise to commend the chief sponsors of this bill in the Senate, Senators DOMENICI and BINGAMAN, who I think have displayed the sort of statesmanship and civility in working out this difficult legislation that I think all of us expect from this body. I also want to indicate the degree to which this bill takes significant steps in the right direction on energy policy. It helps us realize the promise of ethanol as a fuel alternative by requiring 7.5 billion gallons to be mixed with gasoline over the next few years. It provides a tax credit for the construction of E85 stations all over America—E85, a blend of ethanol and gasoline that can drastically increase fuel efficiency standards for our cars.

It will provide funding for the clean coal technologies that will move America to use its most abundant fossil fuel in a cleaner, healthier way, including more low emission transportation fuels, and it will support the development of what we hope ultimately will be a 500-mile-per-gallon automobile technology.

All of these things are wonderful and worthy of support. But I do have to say we have missed an opportunity and

that is not the fault of the sponsors of this bill who have done yeoman's work. Rather, I think it is the timidity of all of us as a body in not addressing what has to be one of the most significant problems we face as a nation.

The Department of Energy predicts that American demand for fossil fuels will jump 50 percent over the next 15 years. The Heritage Foundation says this bill will do virtually nothing to reduce our dependence on foreign oil. Even President Bush and supporters of the bill in Congress concede as much.

As we debate this bill today, the price of crude oil has surpassed a record high of \$60 a barrel, and gas is now up to \$2.28 per gallon. At this price, the United States is sending \$650 million overseas every single day.

As demand continues to skyrocket around the world, other countries have started to realize that guzzling oil is not a sustainable future. What is more, these countries have realized that by investing early in the energy-efficient technology that exists today, they can create millions of tomorrow's jobs and build their economies to rival ours.

China now has a higher fuel economy standard than we do, and it has 200,000 hybrids on its roads. Japan's Toyota is doubling production of the popular Prius in order to sell 100,000 in the U.S. next year, and it is getting ready to open a brand new plant in China. At the same time, Ford is only making 20,000 Escape Hybrids this year, and GM's brand won't be on the market until 2007.

So here we are. People paying record prices at the pump and America sending billions overseas to the world's most volatile region. We have countries like China and India using energy technology to create jobs and wealth, while our own businesses and workers fall further and further behind. And we have the energy bill that is before us today.

So I ask, is this the best America can do? The country that went to the moon and conquered polio? The country that led the technological revolution of the 1990s?

It would be one thing if the solutions to our dependence on foreign oil were pie-in-the-sky ideas that are years away. But the technology is right at our fingertips. Today, we could have told American car companies, we will help you produce more hybrid cars. We could have made sure there were more flexible fuel tanks in our cars. And so America has a choice.

We can continue to hang on to oil as our solution. We can keep passing energy bills that nibble around the edges of the problem. We can hope that the Saudis will pump faster and that our drills will find more. And we can just sit on our hands and say that it is too hard to change the way things are and so we might as well not even try.

Or we could accept and embrace the challenge of finding a solution to one of the most pressing problems of our time, our dependence on foreign oil. It

will not be easy and it will not be without sacrifice. Government cannot make it happen on its own, but it does have a role in supporting the initiative that is already out there.

I vote for this bill reluctantly today, disappointed that we have missed our opportunity to do something bolder that would have put us on the path to energy independence. This bill should be the first step, not the last, in our journey towards energy independence.

I close by saying I hope we do not wait another 5 years before we work on the important issue of energy independence. I plan to support this bill because of the fine work that was done by the sponsors, but I would insist that in the next year or two we immediately address the issue of how we can wean ourselves off of Middle Eastern oil.

Mr. LEAHY. Mr. President, I firmly believe our Nation needs a sound and balanced national energy plan, emphasizing a clean, reliable, sustainable, and affordable energy policy. Unfortunately, this bill fails to do that. The Senate sent a good energy bill to conference, and we got back a frog. This conference report fails to reduce our dependence on imported oil, fails to address the threat of global warming, fails to make much needed new investments in clean energy production and fails to provide any help to consumers that are suffering from record high gas prices.

Specifically, this conference report does not include the Senate's mandatory oil savings clause, which would have reduced oil use by 1 million barrels per day. The bill also deletes the renewable energy standard that would have required utilities to obtain at least 10 percent of their electricity from renewable sources by 2020. Increasing the production of electricity from renewable energy sources will help improve the quality of our country's water and air. Instead of supporting the advancement of renewable energy technologies to create jobs and reduce pollution, we have a bill that gives oil, gas, ethanol, and nuclear companies enormous subsidies.

In addition, the bill does not include any provisions to address global warming. I believe we have a responsibility to act now to curb greenhouse gases; thus, I was pleased the Senate bill agreed on the need for mandatory programs to address greenhouse gases. Two major scientific reports released last fall warned that global warming is occurring more rapidly than previously known, and that the effects of such warming trends are widespread. In Vermont, we will also see ecological and economic consequences of these alarming trends. Vermonters working in our ski and maple syrup industries have already reported changes they have been forced to make in recent years to adjust to climate change. This bill's refusal to take any steps to combat global warming is not only disappointing, but dangerous to our future generations. One hundred years

from now, it may turn out that global warming was the single most important problem that the United States almost totally ignored. At that stage I will not be able to say "I told you so," but some academic scholars might note my timely warmings. Indeed, when I was chairman of the Agriculture, Nutrition, and Forestry Committee, I included a provision on the impacts of global warming in U.S. food production in the 1990 farm bill—15 years ago.

The bill also contains a number of anti-environmental provisions that were not included in the Senate's bill. It threatens drinking water by allowing the underground injection of diesel fuel and other chemicals during oil and gas development and exempts oil and gas construction activities from the Clean Water Act. It also includes a seismic inventory of oil and gas resources in sensitive Outer Continental Shelf areas.

In addition, I am disappointed that this Energy Bill doesn't take a single concrete step to address the high and rising cost of gasoline for American consumers. The Senate unanimously adopted my amendment to allow the Federal Government to take legal action against any foreign state, including members of OPEC, for price fixing and other anticompetitive activities. It is high time we say, "no!" to OPEC's illegal price fixing schemes. Yet, due to opposition from the Bush administration, under whose tenure the average price of gasoline has skyrocketed from \$1.45 per gallon to more than \$2.30 per gallon, this provision was deleted from the Energy bill conference report.

This bill fails on almost every count. Yet, almost unbelievably, it could have gotten much worse. Under the leadership of my friend from New Hampshire, Senator GREGG, we were able to stop the House GOP leadership from letting MTBE polluters off the hook for contaminating our ground water and drinking water. I understand that the conferees came to an agreement which in no way impacts the rights of citizens and local governments to pursue all available State and Federal remedies where there is environmental harm and other injury that results from leakage of MTBE into the ground water. While I was concerned about any effort to alter the subject matter jurisdiction of these cases, I am relieved to learn that they did not do so in conference. I understand that nothing in the current language will alter the substantive law that courts currently apply in these cases and that they will apply to future claims.

After a colloquy between conferees on the record, Representative STUPAK did not offer his amendment clarifying their unanimous understanding of the relevant section. The amendment that he withheld would have simply added the phrase "under applicable state or federal law" to the permissive removal provision. I am told by Senator BINGAMAN that the conferees found this amendment unnecessary because it was

clear to them, as it is to me, that the relevant language adopted does not change the substantive law that applies and it does not change the current law that applies in consideration of removal petitions.

This administration and this Congress had a real opportunity to produce a bill that would lead the Nation towards balanced, sustainable, clean energy production. Instead, we have 1,700 pages worth of policies that will increase our dependence on fossil fuels, provide billions to wealthy energy corporations, and threaten environmental and public health. I do not see how my Republican colleagues can any longer justify their drastic cuts to vital social programs while pushing through this multibillion dollar legislation that does nothing to secure our energy future.

Mr. AKAKA. Mr. President, I rise to today in support of the Energy bill and to provide some perspective on the conference report for H.R. 6, the Energy Policy Act of 2005.

I have been in Congress since 1976, serving first in the House of Representatives, and since 1990 in the Senate. I have served with many outstanding Congressmen, Congresswomen, and Senators who have advanced my knowledge and appreciation for comprehensive energy policy in the long-term. I served with Representative Jim Lord, who was my mentor in the House when I first arrived. I saw him again just before I stepped into last Sunday's conference committee meeting in Rayburn. I served with my good friend and colleague, JOHN DINGELL, from Michigan, and I served with the dedicated and ever-insightful Congressman from Massachusetts, ED MARKEY. Both of them have made enormous contributions to this year's energy bill, as have all the House Members.

I have served on the Senate Committee on Energy and Natural Resources for more than 10 years. I was here when the Senate passed the last energy bill, the Energy Policy Act of 1992. That bill was a benchmark that established a range of energy efficiency, conservation, renewable energy, research and development, and regulatory frameworks for energy that are still in place today.

My observation is that the compromise that we have now may be the best we can get in the next 5 to 10 years, given the regional nature of energy and the partisan nature of politics. Energy is an issue with regional, special interest, and State and local "tugs" and "pulls" unlike other national issues. The breadth of this energy bill is almost incomprehensible. An energy policy sounds simple, but it is a complex, interlocked patchwork of agreements, prohibitions and incentives.

If we do nothing, we will be worse off than when we started. We will not advance energy conservation, efficiency, or production of alternative fuels if we do not pass the bill. I urge members to

remember that we have spent over 5 years debating an energy bill and we have seen bills that are much, much worse. This bill represents a victory in many ways.

It is victory of democratic process over regional politics. This bill was fully heard by the committee and fully debated and amended in the Senate. It was a bipartisan effort on which we spent 3 months exploring the topics making a comprehensive bill. We spent another 2 weeks debating and changing this bill in the Committee on Energy and Natural Resources. We accepted many amendments on the Democratic side. The Senate debated the bill for another 2 weeks, changing it and improving it again.

I applaud the efforts of Senators DOMENICI and BINGAMAN, the chair and ranking member of the Energy Committee, for upholding the promise of the Senate energy bill in the conference discussions. They showed great leadership in holding firm to the Senate bill, rejecting House provisions that were unacceptable. Their staffs were determined to provide us an energy bill that did not include excessive spending or destructive environmental compromises.

The energy conference report is not perfect, but it's a good bill. I know the bill does not have provisions for fuel efficiency standards for cars, SUVs, and trucks, provisions which I supported in the Committee and on the floor. It does not have controls on carbon dioxide or standards for renewable electricity, although the latter was approved in the Senate.

In many respects, these are small steps, but important ones, in the right direction to meet our energy challenges. It encourages cleaner alternative energy initiatives such as hydrogen, solar, wind, geothermal, and natural gas resources. It emphasizes greater use of renewables. It promotes greater efficiency in the way we currently use appliances, home heating and cooling, with more stringent standards. It encourages more efficient cars, homes, and commercial appliances such as dishwashers. It strengthens the reliability of our electricity grid, encourages more transmission lines, and protects ratepayers from market abuses. These are things that are needed now, not in another 5 years when the composition of Congress or the White House might change.

The bill does not go as far as I would have liked to address some of the biggest energy problems our Nation faces. It seems Congress cannot mobilize the political will to take the difficult steps needed to reduce our reliance on foreign oil, improve vehicle fuel efficiency or deal with global warming. I supported those amendments, both on the Senate floor and in conference committee deliberations, but we lost in fair votes in an open process.

What we have before us, in the long run, is a bill that is balanced in terms of production of energy from a variety

of sources and it uses appropriated funds and tax expenditures to encourage research, development, and production. There will always be detractors who can find problems with particular pieces of this far-reaching energy bill. The comprehensive bill is so broad that I do not believe it will ever satisfy the positions of every interest group. The bottom line is that this bill does not include the onerous provisions of an MTBE liability waiver, an ozone bump-up, and it does not include categorical waivers for NEPA for oil and gas developments.

It does include many tax provisions to encourage alternative and renewable fuels, nuclear energy, and oil and gas industries. But the proportions allocated to the renewable sector, clean coal, and energy efficiency are greater than the tax credits and royalty relief for oil and gas, particularly when you consider that a large portion is for a refining capacity incentive, badly needed to increase the efficiency of oil and gas refineries. I greatly appreciate the efforts of Senators GRASSLEY and BAUCUS, and their staffs, who bore the responsibility of crafting the finance portion of the bill under great pressure with grace and generosity.

In this era of alarming Federal budget deficits and declining domestic discretionary spending, we have to look to tax incentives and loan guarantees to mobilize capital investment in new and cleaner energy. For the Nation to maintain our leadership in technology and engineering, we must spend money. Because of many circumstances, namely the war in Iraq, the war on terrorism, and future extensions of tax cuts, we do not have adequate funds to spend on this effort. The only place we can find revenue to encourage the adoption of new technologies is through tax incentives. To me, this is an innovative way to create opportunity out of hardship.

The bill the Senate will consider today, on balance, improves our energy policy and deserves to be enacted. Enormous credit for the success of the conference and the development of the bill goes to my colleagues from New Mexico, Senators PETE DOMENICI and JEFF BINGAMAN, and their staff, who worked long and hard around the clock to bring this bill to fruition. Senator DOMENICI has taken a fresh look, from the beginning of the 109th Congress, and changed his entire approach to the energy bill. I greatly appreciate his orientation and his strategy working with his colleagues on this energy bill. I also extend my great appreciation to Chairman JOE BARTON and Ranking Member JOHN DINGELL for their openness and willingness to work with members on the special needs of their States. Their leadership ensured that the conference was fair, open, and bipartisan from start to finish. I look forward to voting for this bill and I urge my colleagues to support it.

CLARIFICATION OF SECTION 1287 OF THE ENERGY POLICY ACT OF 2005

Mr. JOHNSON. Mr. President, would the gentleman from New Mexico yield to me for purposes of engaging in a colloquy?

Mr. DOMENICI. I would be happy to yield to the gentleman for that purpose.

Mr. JOHNSON. I thank the gentleman. Section 1287 of the conference report to accompany H.R. 6 includes rulemaking authority for the Federal Trade Commission to adopt rules protecting the privacy of electric consumers in connection with their receipt of electric utility services. Am I correct in understanding that it was the conference committee's intent to grant the FTC rulemaking authority with respect to the information practices of "traditional" utility companies and not financial institutions regulated by the Gramm-Leach-Bliley Act?

Mr. DOMENICI. The gentleman is correct. We did not intend to revisit issues regulated under the GLBA, or provide the Commission with rulemaking authority over financial institutions regulated under Gramm-Leach-Bliley.

Mr. JOHNSON. Am I further correct that it was not your intention that utility companies be restricted in their ability to report payment history information to consumer reporting agencies, as such information can be very beneficial to consumers, such as those consumers with "thin" files at credit bureaus?

Mr. DOMENICI. The gentleman is correct.

Mr. JOHNSON. Am I further correct that it was not your intention that the FTC be given broad rulemaking authority with respect to the goods or services that can be offered to any utility customer, but rather the FTC has the authority to regulate the products or services offered by "traditional" utility companies and not financial institutions regulated by the GLBA?

Mr. DOMENICI. The gentleman is correct.

Mr. JOHNSON. I thank the gentleman for his clarifications.

Mr. DOMENICI. I thank the gentleman for bringing these issues to my attention.

Mr. GRASSLEY. Mr. President, today we have the opportunity to finish a very long journey in the quest to build a dynamic, comprehensive energy policy for the United States of America. I can say with pride that this Congress, through many trials and tribulations, has now performed admirably in its duty to the American people. This is a balanced energy bill that focuses as much on the future as it does the present. We have the opportunity with the passage of this legislation to safely produce more energy from more sources and with more infrastructure security than ever before.

On June 21st, the Senate passed H.R. 6 which included the Energy Policy Tax Incentives Act of 2005. The tax pro-

visions were a bipartisan product formulated with Senator BAUCUS, after consultation with many Members of the Senate.

In my estimation, the energy policy tax incentives reflected in this conference agreement are a fair balance of the interests of the Members and effectively supports the development of energy production from renewable and environmentally beneficial sources.

I would like to briefly describe these tax incentives that are included in the final energy Conference agreement.

For years, I have worked to decrease our reliance on foreign sources of energy and accelerate and diversify domestic energy production. I believe public policy ought to promote renewable domestic production that uses renewable energy and fosters economic development.

Specifically, the development of alternative energy sources should alleviate domestic energy shortages and insulate the United States from the Middle East-dominated oil supply. In addition, the development of renewable energy resources conserves existing natural resources and protects the environment.

Finally, alternative energy development provides economic benefits to farmers, ranchers and forest landowners, such as those in Iowa who have launched efforts to diversify the State's economy and to find creative ways to extract a greater return from abundant natural resources.

Section 45 of the Internal Revenue Code currently provides a production tax credit for electricity produced from renewable sources including wind, biomass, and other renewables. The final Energy Tax Incentives Act extends the section 45 credit through the end of 2007.

I have been a constant advocate of alternative energy sources. Since the inception 13 years ago of the wind energy tax credit, wind energy production has grown considerably. In addition, wind represents an affordable and inexhaustible source of domestically produced energy.

Extending the wind energy tax credit until 2008 will support the tremendous continued development of this clean, renewable energy source.

The conference agreement supports a maturing green energy source. Experts have established wind energy's valuable contributions to maintaining cleaner air and a cleaner environment. Every 10,000 megawatts of wind energy produced in the United States can reduce carbon monoxide emissions by 33 million metric tons by replacing the combustion of fossil fuels.

In addition, this agreement helps to empower our rural communities to reap continued economic benefits. The installation of wind turbines has a stimulative economic effect because it requires significant capital investment which results in the creation of jobs and the injection of capital into often rural economic areas.

In addition, for each wind turbine, a farmer or rancher can receive more than \$2,000 per year for 20 years in direct lease payments. Iowa's major wind farms currently pay more than \$640,000 per year to landowners, and the development of 1,000 megawatts of capacity in California, for example, would result in annual payments of approximately \$2 million to farm and forest landowners in that State.

Environmentally friendly biomass energy production is a proven, effective technology that generates numerous waste management public benefits across the country.

The biomass definition covers open loop biomass. Open loop biomass includes organic, nonhazardous materials such as sawdust, tree trimmings, agricultural byproducts and untreated construction debris.

The development of a local industry to convert biomass to electricity has the potential to produce enormous economic benefits and electricity security for rural America.

In addition, studies show that biomass crops could produce between \$2 and \$5 billion in additional farm income for American farmers. As an example, over 450 tons of turkey and chicken litter are under contract to be sold for an electricity plant using poultry litter being built in Minnesota. This is a win-win. Not only do the farmers not have to pay to dispose of this stuff, they get paid to sell the litter. You could find similar examples throughout the Midwest and other farm regions across America.

Finally, marginal farmland incapable of sustaining traditional yearly production is often capable of generating native grasses and organic materials that are ideal for biomass energy production. Turning tree trimmings and native grasses into energy provides an economic gain and serves an important public interest.

I am very proud of a long history of supporting new alternative energy concepts in the production of electricity. The energy conference agreement continues that commitment.

By using animal waste as an energy source, an American livestock producer can reduce or eliminate monthly energy purchases from electric and gas suppliers and provide excess energy for distribution to other members of the community.

Swine and bovine energy is truly green electricity, as it also furthers environmental objectives.

Specifically, anaerobic digestion of manure improves air quality because it eliminates as much as 90 percent of the odor from feedlots and improves soil and water quality by dramatically reducing problems with waste runoff. Maximizing farm resources in such a manner may prove essential to remain competitive in today's livestock market. In addition, the technology used to create the electricity results in the production of a fertilizer product that is of a higher quality than unprocessed animal waste.

The Energy Tax Incentives Act is important to agriculture, rural economy and small business. It is also important for domestic supply and energy independence.

Rural America can play an important part in energy independence and domestic supply. In addition to the production of electricity, this agreement includes additional tax incentives for the production of alternative fuels from renewable resources.

We continue the small producers credit for the production of ethanol. We continue the incentive for the production of biodiesel. Biodiesel is a natural substitute for diesel fuel and can be made from almost all vegetable oils and animal fats. Modern science is allowing us to slowly substitute natural renewable agricultural sources for traditional petroleum. It gives us choices for the future and it can relieve the strain on the domestic oil production to fulfill those important needs that agricultural products cannot serve.

Renewable fuels like ethanol and biodiesel will improve air quality, strengthen national security, reduce the trade deficit, decrease dependence on the Middle East for oil, and expand markets for agricultural products.

This package is fiscally responsible. The conference report provides a net \$11.5 billion in tax relief over 10 years. That figure aligns with the budget resolution. Over 5 years, the package loses only about \$6.9 billion.

The Energy conference agreement is a balanced package. I would like to note, with some satisfaction, that today we have performed the people's business in the way they want us to do business. This Energy Tax Incentives Act was crafted in a bipartisan, bicameral way on an important initiative, in a way that reflects the diversity of our views and the diversity of our Nation.

Mrs. FEINSTEIN. Mr. President, I thank Senators DOMENICI and BINGAMAN for insisting upon a more open, bipartisan conference than we have seen in a number of other important bills.

Chairman DOMENICI deserves great credit for making sure that this conference report does not include some of the most egregious House provisions, particularly retroactive liability protection for MTBE producers and broad Clean Air Act exemptions.

However, I am extremely concerned that this bill does nothing to address global warming and fuel economy standards. I believe that climate change is the most urgent energy-related problem of my lifetime.

This bill refuses to accept responsibility or chart a course to deal with the United States' profligate use of emissions-producing energy sources.

The United States is the largest consumer of energy, yet this bill does nothing to reduce our energy consumption. This bill deletes a very modest oil savings provision that would have required us to save 1 million barrels of oil per day in 2015.

Nor does it include a renewable portfolio standard that I would have required that 10 percent of the nation's electricity come from renewable resources by 2020. California will achieve a renewable portfolio standard of 20 percent by 2017. It is doable nationally.

Climate change is the most important energy and environmental issue facing us today. The earth's temperatures are expected to rise between 2.5 degrees and 10.4 degrees Fahrenheit over the next century.

During the same time period, the American Southwest could see a rise of 14 degrees or more.

Glaciers are melting, sea levels are rising, and water supplies in the West are at severe risk.

By not acting to aggressively reduce our emissions, we are putting California's water supplies at severe risk.

California depends on the Sierra Nevada snowpack as its largest source of water. It is estimated that by the end of this century, the shrinking of the snowpack will eliminate the water source for 16 million people—equal to all of the people in the Los Angeles Basin.

We must act now. Carbon dioxide emissions accumulate in the atmosphere—the more we emit, the worse the impacts on our environment. If we curb our emissions now, we may have a chance to limit the damage we are causing to our fragile ecosystem.

Yet this bill does not include the Sense of the Senate on climate change that recognizes that climate change is being caused by man-made emissions, and that Congress must pass legislation that establishes a mandatory cap on emissions.

The lack of action on climate change and fuel economy is an enormous deficit of the bill.

Increasing fuel economy standards is the single most important step we can take to reduce our dependence on oil. We have the technology now to increase the fuel economy of our vehicles.

GM, DaimlerChrysler and Honda have already developed something known as cylinder cut-off technology that provides the fuel efficiency similar to a vehicle with a smaller engine, but with all the power of a big engine. The auto manufacturers could use a more fuel efficient design, using lighter materials that increase fuel economy without sacrificing safety.

The list goes on and on, yet the auto manufacturers will not act unless Congress forces them to. We are missing a huge opportunity to address the real problem that consumers are facing—rising gas prices. Those gas prices are not going to fall until or unless we reduce our demand for oil by increasing our fuel economy.

I am also concerned about the following provisions in the bill:

Ethanol—the bill has an egregious 7.5 billion gallon mandate for ethanol. My State does not need the fuel additive to meet clean air standards.

I thank the conferees for retaining an amendment I offered to protect California's air quality. It waives the requirement that California use ethanol in the summer months when it can end up polluting the air more than protecting it.

However, I believe that this mandate will raise gas prices for Californians. So far, ethanol in California's gasoline has increased the cost of our gasoline by 4 to 8 cents per gallon.

Further, the ethanol mandate maintains the 54 cent-per-gallon import duty that prevents oil producers from buying ethanol on the global market, or wherever it is cheapest.

Moreover, ethanol receives a tax credit of 51 cents per gallon. A 7.5 billion gallon mandate means an almost \$2 billion loss to the U.S. Treasury over today's receipts. I believe this mandate is an unnecessary giveaway.

In addition, increasing the use of ethanol will not decrease our use of oil. When this mandate is fully implemented in 2012 it will only reduce U.S. oil consumption by less than one-half of one percent.

I believe this is bad public policy and that it is an unnecessary, costly mandate that should not be in the energy bill.

LNG Siting—this bill gives the Federal Energy Regulatory Commission exclusive authority over siting LNG terminals. There are three projects proposed in California. It seems to me that the location of these projects should be left up to the State, not to the Federal Government.

The Federal Energy Regulatory Commission should ensure that the technicalities of natural gas delivery are taken care of, not where these facilities are located on the coastlines of our states.

Outer Continental Shelf—this bill provides for an inventory of the resources off our shores. This is not necessary unless we plan on drilling, to which I remain very much opposed.

I strongly oppose lifting the moratoria on drilling on the Outer Continental Shelf and my State is unified in its opposition as well. Our coast is too important to California's economy and to our quality of life.

Environmental Rollbacks—the bill exempts the underground injection of chemicals during oil and gas development from regulation under the Safe Drinking Water Act, and waives the storm water runoff Clean Water Act regulations for oil and gas construction sites.

These are unnecessary environmental rollbacks that should not have been included in the Energy bill conference report.

I reluctantly voted for the Energy bill when it was considered on the Senate floor. The reason I voted for it was because it included strong consumer protections, and great energy efficiency tax incentives that Senator SNOWE and I have been pushing for the past several years.

While I am pleased that the strong consumer protections are still included in the bill, I am extremely disappointed with the energy efficiency tax incentives.

The tax incentives for energy efficiency in the Senate bill were the cornerstone of a sensible energy policy to address high natural gas prices, peak power reliability, and global warming. It would have saved over 180 million metric tons of carbon emissions annually in the year 2025—some 10 percent of U.S. emissions for all purposes, while saving consumers over \$100 billion annually.

But the Energy bill conference report cut these incentives back by over two-thirds, leaving the Nation with only the skeleton of an effective energy efficiency tax program. While it is possible that this hobbled program could still work, it is so under-funded that it could also fail.

The Senate bill provides performance-based incentives of up to \$2,000 for retrofits made to homes that would achieve a 50 percent energy savings, and applied to all types of homes, whether owner-occupied or renter-occupied, whether owned by families or by businesses, and whether the tenant or the landlord performs the retrofit.

The conference report gutted this program—providing cost-based incentives limited to 10 percent of the cost of the retrofit, or a maximum of \$500. This is problematic because nearly identical cost-based tax incentives for home retrofits were tried in 1978. They cost the Treasury over \$5 billion and not a single study has found that they produced any energy savings.

The Senate bill also provided 4 years of eligibility for high technology air conditioners, furnaces, and water heaters. The conference report cut this eligibility back to 2 years.

This is a big problem because an equipment manufacturer has to make a large investment to mass-produce the efficient equipment.

If that investment must be fully amortized over two years of incentivized sales, manufacturers may be unwilling or unable to make it.

A 4-year amortization period would cause much more manufacturer interest and spur the energy efficiency that we want to promote with these tax credits.

In other words, these energy efficiency tax credits may be meaningless when it comes time to implement them. That would be a terrible shame—energy efficiency has been a huge success in reducing California's demand for energy.

In California, efficiency programs have kept electricity consumption flat for the past 30 years, in contrast to the rest of the United States, where consumption increased 50 percent.

During the Western energy crisis, California faced energy shortages and rolling blackouts, but it could have been much worse. Ultimately, the State was able to escape further black-

outs because Californians made a major effort to conserve energy. This reduced demand for electricity and helped ease the crisis.

Unfortunately, the conference report dramatically reduced the effectiveness of the most important step this nation could take to reduce our energy usage—incentivizing energy efficiency.

By not including the oil savings amendment, the renewable portfolio standard, the Sense of the Senate on climate change, and by gutting the energy efficiency tax incentives, this bill preserves the status quo and does nothing to reduce our dependence on oil or on other fossil fuels.

This bill will not solve our Nation's energy problems, lower gas prices, or reduce emissions. And while I thank Senators DOMENICI and BINGAMAN for the fair, open process by which they brought us this bill, I will cast my vote against the conference report.

Ms. CANTWELL. Mr. President, I rise today to discuss the conference report on H.R. 6, the Comprehensive Energy Policy Act of 2005. I stand before my colleagues today with very mixed feelings about this legislation. This conference report has many meaningful achievements and measures that can help provide this Nation, our researchers, and innovators, with the basic tools to start moving America forward toward a new energy strategy for the 21st century. Yet it is far from perfect. It sidesteps many of the most fundamental energy security challenges we face—challenges like our dependence on foreign oil and global climate change, which grow more intractable the longer we wait to address them. It contains provisions that I simply do not support. It is certainly not the Energy bill that this Senator would write if I alone held the drafting pen—the kind of legislation that would put this Nation on a far more ambitious path toward greater energy security in the global economy. I know many of my colleagues feel exactly the same way.

And yet I believe all Senators must clearly acknowledge that this legislation is in many ways superior to the Energy bill conference report we considered during the 108th Congress. And that is true in some very meaningful ways for my region, the Pacific Northwest.

When the Senate, last month, approved its version of this legislation, I noted that I appreciated the skill and thoughtfulness with which the chairman and ranking member of the Energy Committee, Senators DOMENICI and BINGAMAN, had navigated a path forward for this bill. I suggested at the time that they would need every bit of that skill in coming to resolution with the House of Representatives, on a piece of legislation worthy of this Senate's support. Frankly, I doubted very much that it could be done.

But I stand here today ready to vote for this conference report—with reservations, of course—but in recognition of the fact that this legislation is prob-

ably better than many of us had reason to expect; and as good as the current political will of Congress would allow. For that, I give enormous credit to the chairman and ranking member. As a member of the Senate Energy Committee, I want to say that I have appreciated the bipartisan nature in which they have handled this bill from the outset. At every turn, they have treated this Senator—and her constituents' interests—with complete fairness. The process by which this legislation was assembled should serve as a model for this body.

I want to talk briefly about what I view as some of the most important achievements of this legislation—particularly for my region and the great State of Washington. These are some of the basic tools that can help serve as building blocks to a more ambitious energy strategy for America.

First and foremost, it is important to understand that the Pacific Northwest is a region completely unique when it comes to our energy system. More than 70 percent of the electricity production in Washington State is derived from hydroelectric sources—designed around our great river, the mighty Columbia. This was a system built as part of President Franklin Delano Roosevelt's efforts to electrify the West. As a result, we are a region with a rich and diverse energy history, an uncommon collection of public and private institutions, a large Federal presence that starts with the Bonneville Power Administration, BPA, and a diverse array of stakeholders rightly concerned about the river's multiple uses. I know all of my colleagues from the Northwest who sit on the Energy Committee—there are five of us, in fact—appreciate this tremendous heritage, our region's history of cost-based power, and the valuable asset that we inherited from our predecessors, great leaders like Senators Jackson, Hatfield, and Magnuson.

That is why we worked hard, in a bipartisan manner at every turn, to safeguard the Northwest's system of cost-based power—the engine of our regional economy. That is why the electricity title of this legislation is so important to my region, and to the ratepayers of Washington State.

I am proud this legislation specifically protects the Northwest's transmission system, by prohibiting the Federal Energy Regulatory Commission, FERC, from converting the Bonneville Power Administration's existing system of cost-based, firm transmission contracts to a market-based auction of financial transmission rights.

Now, this auction of financial transmission rights was a central tenet of FERC's controversial and ill-fated standard market design, SMD, proposal. All of us from the Northwest were united in our opposition to SMD because we recognized right away that it was a scheme with the potential to result in tremendous amounts of cost-

shifting onto our ratepayers, and to substantially undermine our cost-based system. The provision that protects the Northwest's existing system is thus an important achievement because it slams the door on any sort of future FERC-imposed proposal like standard market design. I would also note that the Senate-passed Energy bill would have slammed the door on SMD once and for all. This became unnecessary, however, when FERC's new chairman officially terminated the commission's SMD proceeding earlier this month. I think that was a very wise choice and think it speaks quite well of the commission's new leadership.

Also important to my region are provisions that this bill does not contain. Specifically, this conference report omits the administration's legislative proposals—unveiled earlier this year—to hamstring BPA's ability to invest in regional infrastructure and upend Bonneville's system of cost-based power sales. The Northwest Power and Conservation Council has estimated the administration's proposal would raise regional power rates by \$1.7 billion. That would translate to a \$480-a-year rate hike for families in some of Washington's most rural communities. Again thanks to the bipartisan efforts of Northwest Senators, those legislative proposals were dead on arrival.

When it comes to protecting Washington State consumers, I must also mention a number of other provisions. At long last, the bill establishes mandatory, enforceable reliability rules for operation of the Nation's transmission grid. This effort also began in the Pacific Northwest—after an August 1996 blackout resulting from two overloaded transmission lines near Portland, OR which caused a sweeping outage that knocked out power for up to 16 hours in 10 States, including Washington. As a result, both a DOE task force and the industry itself in 1997 recommended mandatory reliability rules for operating the transmission grid. The Senate first passed this legislation just over 5 years ago, in an effort begun by my predecessor, Senator Slade Gorton. It is legislation that I have championed since I have arrived in the Senate, an effort that gained more urgency with the Northeast blackouts of two summers ago; and I will be very pleased to see this measure through to the end.

This bill also takes steps to respond to the disastrous western energy crisis, which extracted billions of dollars and hundreds of thousands of jobs from our regional economy. As I have recounted many times on this floor, the illegal and unethical practices of Enron and others sent Washington power rates through the roof. This Energy bill puts in place the first ever broad prohibition on manipulation of electricity and natural gas markets. These provisions are modeled on a measure that I have authored that has now passed the Senate twice, and I am pleased that they are included in this conference report—particularly given the far inferior pro-

visions contained in the House legislation, which would have in many ways gone in the entirely opposite direction.

In light of the now-infamous audiotapes of Enron traders and others conspiring to gouge consumers, the legislation also gives Federal regulators new authority to ban unscrupulous energy traders and executives from employment in the utility industry. In addition, it substantially increases fines for energy companies that break the rules. And importantly for my constituents, this legislation prohibits a Federal bankruptcy court from enforcing fraudulent Enron power contracts, including \$122 million the now-bankrupt energy giant is attempting to collect from Snohomish PUD. That would translate to more than \$400 from the pockets of every family in Snohomish County, WA, who have already seen their utility bills rise precipitously as a result of the western energy debacle.

For all these provisions, I am tremendously grateful to the chairman and ranking member. I know they faced a steep uphill battle with the House in retaining these measures, and I applaud and thank them for their efforts in ensuring that the Senate positions prevailed.

I should also mention the renewable fuels provisions of this bill, which I believe will help put Washington State farmers and entrepreneurs in the biofuels business. Today, production of biofuels is dominated by the midwestern region of the country, as traditional policies have supported corn- and soy-based fuel production and helped that technology gain maturity. However, the key to lowering costs and establishing a truly national strategy is to make an investment in new technologies that will diversify biofuels production in the United States.

Researchers at Washington State University estimate that our State has the capacity to produce 200 million gallons of ethanol from wheat straw, and up to 1.2 billion gallons with technology improvements. Meanwhile, biodiesel is another emerging opportunity for Washington State farmers, using canola or yellow mustard. These crops are particularly well-suited to Washington State, providing high yields without irrigation.

Around Spokane, it is estimated that 500,000 acres a year could be put into oil seed production, enough oil to produce 25 million gallons of biodiesel. Statewide, at least 2 million acres could be put into oilseed production for biodiesel.

There are a number of very important provisions in this bill that will help my State capitalize on the promise of biofuels, including an Advanced Biofuel Technology Program I authored, to help demonstrate these new technologies; important market-based incentives for refiners to diversify the types of biofuels they use; and financial support in many forms for cellulosic ethanol and biodiesel production.

These are very important achievements that will help transform biofuels

from a boutique regional industry to something that can become part of a truly national strategy to help supplant our Nation's petroleum imports—lowering costs and helping provide greater economic security to our farmers at the same time.

But in addition to renewable fuels, we should acknowledge the provisions of this legislation promoting renewable electricity generation. Obviously, this legislation does not go as far as I would like. I vigorously support a renewable portfolio standard—even a more aggressive standard than what passed the Senate. It is unfortunate, indeed, that the House would not accept this provision, and those of us who strongly advocate it will continue to attempt to move the RPS forward.

But this legislation does extend through the end of 2007 the existing production tax credit for renewable energy, such as wind resources. It is estimated that this credit can help save Washington State ratepayers \$260 million over the next 10 years. As Northwest utilities add wind resources to help bolster regional power supplies, these investments are also helping fill the coffers of local communities. For example, a new wind project near Ellensburg, WA, has generated an additional \$2 million in revenue for Kittitas County. Similarly, wind energy is helping provide another source of income for Northwest farmers. Growers in Columbia County, WA, home to the new 150 Megawatt Hopkins Ridge wind project, receive about \$5,000 per turbine located on their land. One farmer estimates the revenue generated by the project will equal the income generated by 250 acres of harvest.

For the first time, the Energy bill creates clean renewable energy bonds, to support investment in renewable energy resources by governmental entities, including tribes, agencies such as BPA and other public power entities. I am also pleased that for 20 years the Renewable Energy Production Incentive, REPI, Program, which provides a direct payment to public power entities, which do not qualify for tax credits, for renewable electricity production. Eligible resources are expanded to include ocean energy. The REPI Program has already been used by multiple Washington State public utilities to make renewable energy investments.

Washington State is also home to the Pacific Northwest National Lab, and for that reason, the research and development title of this legislation bears mentioning. The Energy bill conference report authorizes hundreds of millions of dollars of investment in research ongoing at the Pacific Northwest National Lab and Washington State universities, including systems biology research, distributed and smart energy technology research and development; bio- and nanotechnology related to the production of bioproducts; and advanced scientific computing.

The Energy bill's "personnel and training" title is also worth noting, since it will help provide a skilled energy workforce for the 21st century, as the energy industry braces for a critical shortage. Washington State is poised to help train the next generation of engineers and innovators in this area. The legislation requires the Secretaries of Energy and Labor to monitor workforce trends in the area of electric power and transmission engineers and identify critical national shortages of personnel. It also authorizes the Secretaries to establish a grants program of up to \$20 million a year to enhance training—including distance-learning, such as the program now being pioneered at Gonzaga University—in electric power and transmission engineering fields. While fewer than 15 universities nationwide offer world-class, Ph.D.-level programs in power engineering, both Washington State University and the University of Washington offer strong programs in this area. In addition, Gonzaga University this year established a specialized masters of science degree and certification program in transmission and distribution engineering.

This conference report also streamlines technology transfer rules for national labs such as PNNL, and extends the 20 percent R&D tax credit to energy research done by nonprofit consortiums involving small businesses, National Labs, and universities to promote interaction and collaboration between public and private researchers. The research and development and workforce provisions of this bill hold some of the most promise in putting in place the building blocks for a real, innovative energy strategy for the 21st century.

Years in the making, the Energy bill also includes bipartisan reform of the hydroelectric relicensing process. The hydro provisions included in this legislation are designed to improve the accountability and quality of Federal agencies' decisions. At the same time, the compromise restores the rights of the public to participate in the process on equal footing with license applicants—provisions that have been missing in previous versions of the bill. Over the next 15 years, 70 percent of Washington State's non-Federal hydro must go through the hydro relicensing process.

Another provision of importance to my State is this legislation's reinstatement of the oil spill liability trust fund, OSLTF. Earlier this year, a Coast Guard report found that the OSLTF—which has been used to clean up spills in the Puget Sound—would run out of money by 2009. The OSLTF was established in the 1990 Oil Pollution Control Act, and has been funded through a per-barrel fee on oil companies until it reached its statutory cap of \$1 billion. The fund was designed to be maintained from interest on that original \$1 billion, but increasing cleanup costs and low liability caps have eroded the

principal amount. The Energy bill would reinstate the fee in April 2006 or thereafter, once the Secretary finds that the balance in the account falls below \$2 billion. The bill authorizes application of the fee through 2014.

Lastly, I want to mention this legislation's provisions to provide energy assistance to some of our Nation's neediest families. The Energy bill would boost authorization for the Low-Income Home Energy Assistance Program, LIHEAP, from its traditional level of \$2 billion to \$5.1 billion, for 2005–2007. LIHEAP funding is critical for some of Washington State's most vulnerable citizens. As a result of the western energy crisis, electricity rates have gone up more than 20 percent statewide while 72 percent of low-income families in Washington use electricity to heat their homes. And already, the 105,000 Washingtonians with incomes below 50 percent of the Federal poverty level spend 34 percent of their entire annual pay on home energy bills. In recent years, less than 30 percent of Washington's eligible families have been able to receive energy assistance—as demand has for LIHEAP dollars has far outpaced their availability. More than doubling available LIHEAP funding would provide a much-needed boost to local organizations in Washington struggling to meet the needs of their communities.

As my colleagues can see, this legislation is tremendously complex. I have listed many of the provisions important to my constituents. Of course, there are a number of other measures with which I simply disagree. Perhaps that is to be expected of a 1,700-page piece of legislation that touches every sector of the American economy. For example, the inventory of Outer Continental Shelf oil and gas resources is wrong-headed, and I oppose it. I would note, however, that in order for the inventory to move forward, it must be funded. I know this Senator believes any such inventory would constitute a tremendous waste of taxpayer funds, and the fight is far from over on this issue.

Similarly, I oppose the liquefied natural gas provisions of this bill because I believe States and local communities need a bigger role in these decisions. Some of the nuclear provisions of this bill are particularly offensive, in that they create an inherent conflict of interest at the Nuclear Regulatory Commission, which should not be subject to the cross pressures of protecting public safety and the public interest, at the same time the commission is under fiscal pressure to unwisely accelerate its proceedings under the guise of some new form of "risk insurance."

I oppose the Clean Water Act and Safe Drinking Water Act rollbacks in this bill. The National Energy Policy Act provisions are similarly unnecessary. But I recognize that they are far less sweeping than those originally proposed by the House. If this Senator had her way, we would not be repealing

the Public Utility Holding Company Act. Yet I am at least comforted by the fact this legislation hews closely to the compromise on utility mergers reached by the Senate.

Moreover, the tax package does not resemble the tax package I would have written. On this point, I agree with the President: The oil and gas industry does not need these incentives, given where prices are at today.

I am not the first Senator to say it, and I won't be the last. This bill is not as I would have written it. It has the flaws that I have listed. It is also incomplete. It is a status quo bill when it comes to one of the most difficult challenges to our economic and national security faced by this generation: America's dangerous dependence on foreign oil. This bill does not address this festering problem. It will not provide relief to consumers at the gas pump. Any suggestion to the contrary would be simply false.

It is clear to this Senator that if this body is truly serious about putting in place a framework that will allow the United States to compete in the global marketplace; a framework that will allow America to control its own destiny in the coming decades as it relates to our energy security, our work is not done. Tomorrow isn't soon enough to go back to the drawing board and get serious about our dependence on foreign oil. And this Senator will keep fighting to do just that. Our work on energy security has hardly begun—it is far from finished if we want to live up to our responsibilities to future generations of Americans. We must not leave to them a Nation crippled by its addiction to foreign sources of oil—an overdependence that jeopardizes our economic future and national security.

On the contrary, it is our responsibility to face up to a simple fact: The accidents of geology make it impossible for this Nation to drill its way to energy independence, since we are situated on just 3 percent of the world's proven oil reserves. We must recognize that fact and read the economic indicators. We must consider emerging competitors such as China and India, and recognize the seismic shifts that are likely to occur in the dynamics of world energy markets.

I firmly believe that future generations of Americans will measure us on how we choose to address the challenges of energy security and climate change. They are that vital to this Nation's security and our economic future.

But this Senator also recognizes that the leadership of this Congress is not yet prepared to take that step; that my colleagues and I who believe so fundamentally in the importance of enhancing our oil security have more work to do to change the hearts and minds of our colleagues. The American people must also demand better leadership from their elected officials when it comes to energy security. And this Senator stands ready to work across

the aisle to do what is necessary to make meaningful progress on these issues.

This bill is not perfect. We have much more work to do to bolster our energy security, and this Senator is ready to roll up her sleeves and do it. But on the whole, this bill provides some basic building blocks toward a better energy future. For that reason, I will support the Energy bill conference report and urge my colleagues to do the same.

Mrs. CLINTON. Mr. President, I rise to speak on the Energy bill that the Senate will be voting on today. Unfortunately, I cannot support this bill.

The bill does include some worthy provisions. For example, the bill includes the major provisions of the Hydrogen and Fuel Cell Technology Act of 2005 that I have worked on for years with Senator DORGAN. It includes my Dirty Bomb Prevention Act of 2005, as well as a provision that I authored to require backup power for emergency sirens around the Indian Point nuclear powerplant. It extends and expands the wind production tax credit, and includes a provision to help us continue to develop and commercialize clean coal technology. It will push energy efficiency standards of air conditioners and other appliances forward. It will establish mandatory, enforceable reliability standards, something that I have been pushing for since the August 2003 blackout. And it includes a bill I introduced with Senator VOINOVICH to create a grant program at the U.S. Environmental Protection Agency to promote the reduction of diesel emissions.

In spite of these positive measures, I oppose the bill for two reasons. First, it contains a number of highly objectionable provisions. Second, it simply ignores several of our most pressing energy challenges, such as our dependence on foreign oil.

I won't list all of the problematic provisions here, but I want to highlight a couple of the most troubling. The bill includes billions in subsidies for mature energy industries, including oil and nuclear power. These are giveaways of taxpayer money that do nothing to move us toward the next generation of energy technologies. The bill accelerates the siting procedures for liquid natural gas terminals and weakens the State role in the process, something I am very concerned about, given the Broadwater proposal looming off the Long Island shores. As ranking member of the Water Subcommittee of the Environment and Public Works Committee, I object to the provisions that exempt hydraulic fracturing from coverage under the Safe Drinking Water Act and exempt oil and gas construction sites from stormwater runoff regulations under the Clean Water Act. Despite a long-standing moratorium on oil drilling off most of the U.S. coast, including the New York coast, the bill authorizes an inventory of oil and gas resources there.

None of these provisions should be in the bill. But the main reason that I

must oppose this bill is that it simply doesn't address the most pressing and important energy challenges that we face. It is a missed opportunity to reduce our dependence on foreign oil, spur the development of renewable resources, and address climate change.

While the Senate-passed bill did not go as far as I would like in terms of reducing our dependence on foreign oil, it did contain a provision that would reduce U.S. oil consumption by 1 million barrels of oil per day by 2015. That was dropped in conference.

The Senate bill had a modest provision to increase the percentage of electricity generated from renewable sources to 10 percent by the year 2020. That, too, was dropped in conference.

In addition, the Senate went on record as supporting a mandatory program to start reducing the greenhouse gas emissions that are contributing to climate change. That is gone as well.

So as I look at the bill as a whole, I see a major missed opportunity. By the President's own admission, this bill won't do anything to reduce gasoline prices, but we know for a fact that it will give billions in tax breaks to companies like Exxon Mobil. It doesn't do nearly enough to push the development and commercialization of clean, next-generation energy technologies, but it gives huge tax breaks to nuclear power, a technology that has been with us for 50 years. And given what we now know about the looming threat of climate change, it makes no sense to make energy policy without integrating a cost-effective strategy to reduce greenhouse gas emissions. But that is exactly what this bill does.

In short, this bill simply misses the mark. It ignores our biggest energy challenges, subsidizes mature energy industries like oil and nuclear, and rolls back our environmental laws. I know it will pass today, but I will not be voting for it.

Mr. JEFFORDS. Mr. President, I want to share my views on the final Energy bill conference report now before us. I regret that I will be unable to support this legislation, and I will explain my substantive concerns about the bill in greater detail. But, first, I want to comment on the process that brought us to this point because the process has been very different than the last energy conference report.

The last energy conference report to come before the Senate in the 108th Congress contained more than 100 provisions in the jurisdiction of the Environment and Public Works Committee. In my role as the ranking member, I came to the floor to share with the Senate that the EPW Committee was not consulted in the development of any of those provisions.

That closed-door process did not occur with this conference report, and I believe that was due to the efforts of Senators DOMENICI and BINGAMAN. Though neither Senator INHOFE nor I were conferees, we were apprized of conference discussions. Our staff re-

viewed and provided technical assistance on provisions. For example, we agreed to revise the House's nuclear title to incorporate three nuclear bills reported by the Environment and Public Works Committee. We also worked closely on the ethanol provisions, given their implications for the Clean Air Act.

The Senators from New Mexico worked hard to limit the items in the conference report in the EPW Committee's jurisdiction. They faced a very uphill task. The House bill had many troubling environmental provisions that were strongly supported by House conferees. Unfortunately, though, many troubling environmental provisions were removed during conference negotiations, several provisions of concern to me and to several other Democratic members of the EPW Committee remain in the final conference report.

I say all this to make clear to the Senate that I am not opposing this bill on process, but on policy. It contains bad environmental policy. It is a missed opportunity with respect to our energy policy. It contains the wrong fiscal priorities with \$80 billion in giveaways to the oil, gas, coal, and nuclear industries. And, for those reasons, I feel it is not the right energy policy for America today, and certainly not for the future.

I am deeply concerned that the conference report before us does not represent the kind of forward looking, balanced energy policy that our Nation needs. It does not go far enough in reducing our country's reliance on imported oil. Provisions to set a goal to curb our Nation's oil use, overwhelmingly supported in the Senate, were defeated. Provisions in the Senate bill to set a national goal to obtain 10 percent of our Nation's electricity from renewable sources were also stripped in the conference.

I have spent my congressional career promoting the use of renewable energy in our country. This Nation has abundant renewable energy sources, from wind to animal methane to geothermal, in every State, and it is in our economic and environmental interest to use them. It is very disappointing to me, as we stand here on the threshold of passing an energy bill that will likely serve as our country's energy policy well into the next decade, that many of the same polluting coal-fired power plants that were operating when I came to Congress are still operating without modern pollution controls. Though this conference report takes an important step by asking the Federal agencies to get roughly 8 percent of their energy from renewable sources in 2020, this should have been an economy-wide goal.

It also fails to substantively address many other important issues, such as climate change and the need to improve vehicle fuel economy to give consumers more affordable and less-polluting choices when they buy their family's next automobile.

But worst of all, this bill seriously harms the environment. During the conference, along with the majority of Senate Environment Committee minority colleagues, I wrote the conferees listing six of what I believed to be the most troubling environmental provisions of the House-passed bill. Several remain in this bill.

I am disappointed that the renewable fuels provisions in the conference report continue to differ significantly from the provisions that were reported by the Environment and Public Works Committee in the last three Congresses. The provisions that my committee reported were the ones contained in the energy legislation that the Senate passed this year and last year.

Though we know methyl tertiary butyl ether, or MTBE, is environmentally harmful, the conference report does not phase out its use.

The Senate bill would have phased out MTBE use nationwide over 4 years. The conference report contains no such ban. In addition, critical language allowing the U.S. Environmental Protection Agency to pull future gasoline additives off the market if they caused water pollution problems was eliminated.

The conferees have included language similar to a provision in the House-passed bill that exempts oil and gas exploration and production activities from the Clean Water Act storm water program.

The Clean Water Act requires permits for storm water discharges associated with construction. The conference report changes the act to exempt oil and gas construction from these permits.

The scope of the provision is extremely broad. Storm water runoff typically contains pollutants such as oil and grease, chemicals, nutrients, metals, bacteria, and particulates.

According to EPA estimates, this change would exempt at least 30,000 small oil and gas sites from clean water requirements. In addition, every construction site in the oil and gas industry larger than 5 acres are exempt from permit requirements. Some of those sites have held permits for 10 years or more. This is a terrible roll-back of current law and an unnecessary one. These permits have not been hampering production by these drilling sites, but they do protect the fragile water resources around them.

Section 327 of this conference report exempts the practice of hydraulic fracturing to extract coalbed methane from the Safe Drinking Water Act. This practice involves injecting a fluid under pressure into the ground in order to create fractures in rock and capture methane.

The primary risk with hydraulic fracturing is drinking water contamination that occurs when fluids used to fracture the rock remains in the ground and reach underground sources

of drinking water. According to the U.S. Government Accountability Office, approximately half of the U.S. population obtains its drinking water from underground water sources. In rural areas, this percentage rises to 95 percent. In its June 2004 study, the EPA reported studies showing that 18-65 percent of injected chemicals can remain stranded in hydraulically fractured formations.

This is wrong. The American people do not want enhanced energy production at the expense of the environment, particularly if it jeopardizes their drinking water wells.

And, they also do not want enhanced energy production at the expense of their own pocketbook, especially in these times of high energy prices. This bill contains several very costly provisions that are more of a giveaway to energy companies than a guarantee of new energy for the American people. One of the most concerning of these are new provisions that provide risk insurance for the construction of six new nuclear power plants.

Now, I agree that siting an energy project is a risky and time-consuming investment. But this provision, in my view, goes too far. This provision would allow the Secretary of Energy to enter into a contract with private interests for the construction of six advanced nuclear reactors. Further, it authorizes the payment of costs to those private interests for delays in the full operation of these facilities.

The payments are up to 100 percent of the delay costs, or a total of \$500 million each for the first two facilities. The next four plants would get a payment of up to 50 percent of the delay costs, up to a total of \$250 million for each facility. This is a total of \$2 billion.

The "delays" for which private interests can be compensated include the inability of the Nuclear Regulatory Commission to comply with schedules that it sets for the reviews and inspections of these facilities.

If the NRC finishes its work on time, but the full operation of one of these facilities is delayed by parties exercising their democratic right to seek judicial review to ensure the safe operation of a nuclear facility in their community, the plant owners can be compensated while the case is litigated.

Nuclear powerplants are large capital investments and risky investments. But so are other energy projects. Just ask anyone who drills for oil, sites a windmill, or seeks to deploy a new energy technology. We do not provide any other type of energy facility this type of guarantee. And what a guarantee, while the Federal Government processes your permit, or if the Federal Government gets sued, the taxpayers will pay you, not for generating energy but for doing nothing.

This is an enormous Federal spending commitment, and one we really are not likely to be able to afford. The intent really is to put pressure on the NRC to

approve these new reactors and get them on line. If that is our intent, we should do so without obligating taxpayers to pay for the appropriate process to get them sited and built.

I also am disappointed that the recycling tax credit provisions I authored to preserve and expand America's recycling infrastructure were stripped from the final bill. In a bill that provides \$14.5 billion in tax incentives for energy production, these modest provisions would have gone a long way to encourage energy savings and job creation through investment in state-of-the-art recycling technology.

In conclusion I try not to support legislation that exploits our natural resources and pollutes our environment. This bill contains too many provisions that represent real departure from current environmental law and practice to garner my support. Other Senators who believe that we can obtain energy security for America while preserving our environment should vote no as well.

I ask unanimous consent that some additional materials clarifying my views on several bill provisions in the jurisdiction of the Environment and Public Works Committee be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF SENATOR JEFFORDS ON THE CONFERENCE REPORT ACCOMPANYING H.R. 6, THE ENERGY POLICY ACT OF 2005

Mr. JEFFORDS. Mr. President, as I indicated to the Senate in my remarks, this conference report fails to properly balance the need for energy exploration and production with important environmental and conservation concerns. There are a number of environmental provisions in this bill that were either considered by the Senate Environment and Public Works Committee or are in the jurisdiction of that Committee, on which I serve as Ranking Member. Given that the conference report contains no detailed statement by the conferees regarding how these provisions are to be implemented by the relevant federal agencies, I felt it important to provide additional comment on these provisions to serve as legislative history.

MTBE AND MOTOR VEHICLE FUELS AND FUEL ADDITIVES

The conference report fails to ban methyl tertiary butyl ether (MTBE), an important and constant element of the Senate bill reported by the Environment and Public Works Committee in the 109th Congress. While I am pleased that an MTBE liability waiver is not included in this bill, I am concerned that MTBE will continue to be used in gasoline, leak from underground storage tanks and continue to pose significant and costly drinking water problems.

The elimination of the oxygen-content requirement for reformulated gasoline and the new ethanol mandate (Section 1504) may result in oil companies reducing the amount of MTBE used, but it is unlikely to eliminate its use entirely since it was used as an octane enhancer and anti-knock agent by petroleum refiners long before the Clean Air Act requirements of 1990. The continued use of MTBE in gasoline means that drinking water supplies will continue to be in jeopardy. Therefore, the Environmental Protection Agency and state regulatory agencies should continue with their efforts to ban and limit the use of MTBE.

I am pleased to see that the bill includes several provisions from the bill, S. 606, which was reported out of the Environment and Public Works Committee, that are intended to protect public health and the environment. Perhaps most important of these is the toxics anti-backsliding language to ensure that the elimination of the oxygenate requirement and the growing number of States' MTBE bans will not encourage refiners to use toxic replacement materials. The baseline against performance is judged is set at the average of the years 2001 and 2002, though EPA has evidence of continued improvement in toxics reduction performance in later years. Thus, setting a baseline even a few years old may allow refiners to backslide on performance and increase toxic air emissions from fuels.

For unknown reasons, the conferees failed to adopt an important Senate provision that would prevent MTBE-like water contamination problems from occurring in the future. As was recommended in 1999, by the Blue Ribbon Panel on Oxygenates in Gasoline, the Senate provided EPA the clear authority under the Clean Air Act to regulate fuels and fuel additives due to their impact on water quality and resources. Sadly, we will be doomed to repeat the mistakes of the past on into the future, because the conferees have apparently not learned enough from the \$25–85 billion remediation costs facing municipal and residential water systems around the country.

Another Senate bill improvement to current law which was retained in the conference report was making EPA regularly require manufacturers registering fuels or fuel additives to conduct tests publicly to determine public health and environmental effects before registration and use. The report also requires EPA within two years of enactment to conduct a study of the effects on air and water and sensitive subpopulations of fuel additives (Section 1505). Today there are a dozen or so different types of fuel additives and little is known about the toxicological effects of these chemicals on human health and the environment. These studies will help us better understand where MTBE and other fuel additives have leaked and contaminated water resources and how these chemicals are affecting our nation's water resources.

As in the Senate bill, the conference report provides that EPA must update its complex emissions model to reflect vehicles in the motor vehicle fleet from the 1990 baseline to a more accurate 2007 fleet, and study the permeation effects of increased ethanol use on evaporative emissions. Unfortunately, in section 1513, the conferees opted for the less protective House provision on blending and comingling.

The Senate bill, consistent with the recommendations of the Government Accountability Office June 2005 report on "Gasoline Markets," directs EPA to study the air quality and public health impacts of reducing the number of fuel formulations in the market, as well as looking the effects on refiners and gasoline supply and price. This report is due in mid-2008. The conferees wisely included this useful provision in the report, which will provide the information necessary for EPA, the States and Congress to eventually make sound judgments about reducing the number of fuel formulations. However, the conference report also includes an illogical and unnecessarily complex system in section 1541 for limiting the fuel formulations in advance of data to be collected pursuant to the Senate report and the GAO recommendation. That same section also provides unnecessarily expansive and confusing waiver authority for the Administrator to allow increases in pollution from fuels and fuel additives.

COAL (TITLE IV)

This bill authorizes \$3 billion in grants and loans through the Department of Energy and \$2.9 billion in tax credits to assist coal-fired power plant owners in installing more modern pollution control equipment and to develop better control technologies. Unfortunately, most of these funds are not directed at truly advanced and significantly cleaner and more efficient electricity generation from coal. As a result, taxpayers will be heavily subsidizing only incremental improvements, rather than the substantial and radical improvements that need to be made in thermal efficiency to combat global warming and in state-of-the-art technology to reduce other harmful air pollutants, like mercury, ozone, and particulate matter. This Title will not prepare the United States to live up to its responsibility to be a global leader in reducing greenhouse gas emissions from our heavily coal-based electricity-generating base.

UNDERGROUND STORAGE TANK COMPLIANCE (TITLE 15, SUBTITLE B)

Leaking underground storage tanks present a significant threat to drinking water supplies nationwide. EPA estimates that there are approximately 150,000 leaking underground storage tanks currently needing cleanup. While I feel that the twenty-year old law needs more comprehensive changes, I am pleased with many of the underground storage tank provision included in this bill.

This bill will for the first time set a mandatory inspection frequency for all federally regulated underground storage tanks. Unfortunately, this requirement falls short of the every two-year inspection requirement unanimously approved by the Senate in the 108th Congress. Instead, tanks that were last inspected in 1999 may be able to evade re-inspection until 2010 or 2011. EPA believes tanks should be inspected at least once every three years to minimize the environmental damage caused by undetected leaks. I encourage EPA and the states to meet the three-year inspection frequency upon enactment of this legislation.

I am pleased with the increased authorization provided from the Leaking Underground Storage Tank (LUST) Trust Fund and the flexibility given to EPA and the states to use the money not just for cleanups but also for compliance activities. Increased authorization is meaningless, however, unless the President and Congress fulfill their responsibilities to appropriate adequate resources to carry out these activities. To ensure that adequate money is provided in the future, I encourage EPA to work with the states to improve data collection to demonstrate the public health and environmental benefits of increased funding.

The bill contains an important new provision to protect groundwater by requiring secondary containment of new tanks within 1,000 feet for a community water system or potable drinking water well. I'm concerned, however, about an exemption from this modest secondary containment provision that allows owners and operators to install underground tanks without secondary containment if the manufacturer and installer of the new tank system maintain evidence of financial responsibility to pay for cleaning up a potential spill. This exemption foolishly emphasizes cleanup over leak prevention. In addition, this financial responsibility requirement is likely to lead to delayed cleanups while owners, manufacturers and installers fight in court over who is responsible for the leak.

EPA and the states should work closely to encourage owners and operators of underground storage tanks to opt for the sec-

ondary containment of new underground storage tank systems rather than face potential legal complications in the future when the less protective systems leak. EPA should also work with the states and owners and operators to identify whether this provision results in litigation or delays cleanups and to identify, address and share information about common manufacturing and installation problems with the states and other owners and operators.

I also question the wisdom of limiting the secondary containment requirement to systems within 1,000 feet of a community water system or potable drinking water well as leaks, especially MTBE, which quickly moves beyond 1,000 feet radius of the facility. A broader provision requiring secondary containment on all new tanks has proven very effective in Vermont. EPA and the states should carefully identify all potable drinking water sources in these areas and monitor whether the 1,000 feet radius is adequate to protect public health.

WESTERN MICHIGAN (TITLE IX RESEARCH AND DEVELOPMENT—SECTION 996)

Hidden as a demonstration project in the Research and Development Title is a provision that provides an exemption from any new specifically ozone-related requirement or sanctions under the Clean Air Act for counties in southwestern Michigan that have been designated as non-attainment for the 8-hour ozone standard. These areas are not given a free pass from any existing Federal or State requirement or enforcement of such existing requirement, including any that the counties may face as ozone maintenance areas or as part of any conditions in the state's ozone implementation plan in place at the time of enactment of this Act. No pollution source in those counties is provided any exemption of any kind from requirements or sanctions related to any other pollutant except as it directly relates to ozone.

The two-year hiatus in enforcement or application of new requirements is unwisely provided to several counties with large populations that are contributing to or causing nonattainment in areas downwind from those counties. This is in direct contradiction to the purposes of the Clean Air Act, particularly as amended in 1990, which recognize the need for all states and areas to be sensitive to the transported pollution that they inflict on downwind areas. The Senate Committee on Environment and Public Works, which has jurisdiction over matters such as this and on which I serve as the ranking member, has never had a hearing on this provision, nor would I have supported such a broad and poorly drafted temporary exemption.

I expect that in the "demonstration" project process over the next two years, EPA and the Governor of Michigan will not only assess the difficulties such areas may experience in meeting the 8-hour ozone standard because of transported ozone pollution, but also the extent of the downwind damage and pollution caused by this "demonstration" project exemption and the adequacy of the EPA's SIP review process under section 110(a)(2). In addition, I would note for any electric generating unit or any similar major stationary source in these counties, that the "demonstration" period designation does not permit evasion of existing New Source Performance Standard requirements in these counties or any other such programs.

REFINERY REVITALIZATION (TITLE III OIL AND GAS—SECTION 391/392)

I refute the implication in the findings that environmental regulations have limited the U.S. refining capacity. Therefore, I find the Refining Revitalization provisions in

this bill to streamline environmental permitting unnecessary, preferential treatment for the oil and gas industry.

While it is true that 175 refineries closed in the last 22 years and no new refineries opened, it is also true that at the same time refining capacity has grown steadily from 6.2 billion to 8.2 billion barrels per day. In fact, the Energy Information Administration earlier this year projected that refining capacity will increase and that refining costs are expected to remain stable or decline.

Despite industry attempts to cut costs and achieve greater efficiencies through rampant mergers—over 2,600 oil companies merged in the 1990s—low returns on investment inhibited expansion in the refinery sector, not overly burdensome environmental regulations.

Proponents of streamlining environmental permitting argue that a large number of closed or idle refineries seeking to reopen are having difficulties obtaining environmental permits. Yet, neither EPA nor the states currently have permits pending to restart refineries.

To address this perceived problem, this energy bill encourages Governors to request that EPA and the state regulatory agencies streamline environmental permitting by accepting consolidated permit applications and tells EPA to find ways to better coordinate among state and federal agencies and to provide additional financial assistance, without providing EPA and the states additional resources to accomplish this task. I am also concerned that this focus on refinery permitting without additional resources will be done at the expense of other important environmental priorities. Refineries are getting preferential treatment that other energy sectors will not be getting and just another example of how this bill is just a transfer of taxpayer dollars to the wealthiest energy companies in the country.

When submitting its budget for next year, EPA should include a large enough request to ensure that adequate resources will be available to conduct expedited review of new and expanding refinery capacity in the United States. Due to the serious environmental impacts these facilities have on our nation's air and water, EPA and the States must ensure that adequate resources are available at the Federal and State level to conduct expedited, but comprehensive and complete reviews to ensure that the American people are protected from the hazards these facilities present.

NUCLEAR TITLE (TITLE VI)

This title adopts the majority of the provisions of Senate Environment and Public Works Committee reported nuclear bills in the 109th Congress: the Nuclear Fees Reauthorization Act of 2005 (S. 858), the Nuclear Safety and Security Act of 2005 (S. 864) and the Price Anderson Amendments Act of 2005 (S. 865).

In particular, Section 651 of the conference report includes provisions of S. 864 that would regulate accelerator-produced material, discrete sources of radium-226, and discrete sources of naturally occurring radioactive material (NORM) under the Atomic Energy Act. The section does so because these materials pose a "dirty bomb" risk. There is wide agreement that radium, accelerator-produced materials and naturally occurring radioactive materials could be used in a dirty bomb and therefore should be regulated by the Nuclear Regulatory Commission. Even so, some have raised questions about why we need to address the disposal of these materials in the conference report.

The conference report addresses the waste disposal issue because some of the materials which are not now regulated under the

Atomic Energy Act can currently be disposed of under the authority of Acts such as the Resource Conservation and Recovery Act, as long as their activity levels are sufficiently low. Since the provisions agreed to by the conferees place these materials under the jurisdiction of the Atomic Energy Act, they would no longer be able to be disposed of under the authority of Acts such as the Resource Conservation and Recovery Act without the additional provisions we included in the language.

Though the conferees included this language, neither the NRC nor the Environmental Protection Agency and the states should conclude that the intent of the disposal provisions is to expand or alter the waste disposal requirements associated with these materials. This language is not intended to alter current disposal practices in any way, but is rather intended only to preserve the disposal options that are currently available under existing authority for this material.

In all discussions with the conferees, it was my intent that these provisions to remain neutral on the issue of waste disposal, and to ensure that there are no new restrictions and no new authorities granted by this language. To make it clear, these provisions would in no way result in granting new authority for materials that are currently regulated under the Atomic Energy Act to be disposed of in facilities not licensed to accept radioactive waste by the Nuclear Regulatory Commission or an Agreement State under the Low Level Radioactive Waste Policy Act (LLRWPA).

Bringing accelerator-produced material, discrete sources of Radium-226, and discrete sources of naturally occurring radioactive material (NORM) under the Atomic Energy Act because they pose a dirty bomb risk, without making special provision for their disposal, would mean that in accordance with the LLRWPA, as amended, these materials would have to be disposed of at low-level radioactive waste disposal facilities licensed by either the NRC or an Agreement State. Because of interstate import and export restrictions adopted by compacts under the LLRWPA, bringing radium 226, accelerator-produced materials and NORM under the jurisdiction of the Atomic Energy Act could eliminate for generators in the majority of States a disposal capability for these materials that is currently available to and being used by generators across the nation. In addition, regulating these materials under the Atomic Energy Act might result in making any Act that excludes Atomic Energy Act material from the Act's coverage (such as the Solid Waste Disposal Act, popularly referred to as the Resource Conservation and Recovery Act (RCRA)) inapplicable. These provisions are intended only to preserve the disposal options that are currently available under existing authority for this material, such as those that are available under the authority of the Resource Conservation and Recovery Act, and would not affect the disposal of Atomic Energy Act materials not covered by this section.

HYDRAULIC FRACTURING TITLE III/SECTION 327

By excluding hydraulic fracturing from the definition of underground injection, Section 327 changes how the Environmental Protection Agency can regulate this practice under the Safe Drinking Water Act. Hydraulic fracturing involves injecting diesel fuel or potentially hazardous substances such as benzene, toluene, and MTBE underground to fracture rock and release oil and gas. It is clear this language allows the EPA to restrict the use of diesel as a hydraulic fracturing fluid, and the agency should continue to use its existing authorities under the Clean Water Act

and the Safe Drinking Water Act to reduce loadings of these pollutants associated with these activities from reaching surface and drinking water.

Hydraulic fracturing has historically been performed in very deep wells. Today, it is also used in coalbed methane extraction that occurs at much shallower depths. This practice leaves hazardous substances in the ground that leach into groundwater and jeopardize drinking water. Groundwater provides drinking water for half the U.S. population. In rural areas, 95 percent of drinking water comes from groundwater.

More than 167,000 oil and gas-related injection wells are currently regulated under the Safe Drinking Water Act and pose no impediment to oil and gas production. As they implement this regulation, EPA and the States should continue to monitor these activities to ensure that drinking water sources are protected and report to Congress and the public all incidences where harmful chemicals from hydraulic fracturing leach into drinking water sources.

STORMWATER (TITLE III/SECTION 328)

Title III of the conference report also changes how the Environmental Protection Agency is able to regulate oil and gas construction activities under the Phase I and Phase II of the Clean Water Act Stormwater Program. Since 1990, the Phase I Stormwater Program has required permit coverage for large municipal separate stormwater systems and 11 categories of industrial discharges, including large construction sites disturbing five or more acres of land. In 2005, GAO reported that over a one-year period, in three of the six largest oil and gas producing states, 433 oil and gas construction activities obtained Phase I Stormwater Permits. Some of those sites have held permits for ten years or more.

Phase II of the program, adopted in 1999, requires permits for small municipal separate stormwater systems and construction sites affecting one to five acres of land. EPA extended the Phase II permitting deadline, originally March 10, 2003, to June 12, 2006 for just the oil and gas industry. EPA's rationale was that it needed more time to complete its legal and economic analysis of the rule.

The water quality implications from exempting the oil and gas industry from stormwater permitting are significant. Over a short period of time, storm water runoff from construction site activity can contribute more harmful pollutants, including sediment, into rivers, lakes, and streams than had been deposited over several decades. Sediment clouds water, decreases photosynthetic activity, reduces the viability of aquatic plants and animals; and can ultimately destroy animals and their habitat. These permits have not been hampering production by these drilling sites, but they do protect the fragile water resources around them.

The EPA should construe any exemption for oil and gas construction activities contained in this conference report as very limited. The agency should continue, as appropriate, to require stormwater discharge permits for oil and gas construction activities that are similar to those performed at other construction sites such as the construction of roads, clearing, grading, and excavating. The Clean Water Act requires that construction sites of all types obtain stormwater discharge permits. When oil and gas construction activities are similar to other construction activities they should continue to be regulated.

Mr. President, it is my hope that I have clarified for my colleagues how these provisions were developed and the effect of these provisions on the environment. It is my hope

that the Nuclear Regulatory Commission and the Environmental Protection Agency will review and incorporate my statement as they implement the Energy Policy Act of 2005.

Mr. CONRAD. Mr. President, I rise today to support the Energy bill conference report.

For many years, I have supported passage of a comprehensive national energy policy. Such a policy is necessary to reduce our increasing dependence on foreign energy sources. A comprehensive energy policy will help lower energy prices in the long run. Furthermore, any far-reaching bill will move us toward newer technologies that will keep our economy growing strong while making us more energy independent.

Although not perfect, this Energy bill moves us in the right direction. It will expand our electricity transmission system and make it more reliable. The bill contains incentives for renewable energy, including the renewable energy production tax credit that I helped include. It will also spur an increase the production and use of domestic biofuels such as ethanol and biodiesel. Because of this bill, our coal-burning plants will improve their efficiency and emit less pollution. Finally, the bill provides needed incentives to increase natural gas infrastructure, measures that will lead to lower prices for natural gas consumers in the long run.

Equally important, this bill benefits North Dakota for a number of reasons. The transmission incentives will enable my State's power producers to export electricity to distant markets. In this way, transmission incentives benefit the lignite and wind energy sectors in my State. The clean coal production incentives will make it easier to build advanced clean coal power plants. The inclusion of the wind energy production tax credit will help North Dakota realize its potential to be the biggest producer of wind energy in the country. The Renewable Fuels Standard and tax incentives for ethanol and biodiesel will aid my State's farm economy, create more jobs, and reduce our dependence on foreign oil. In addition, the bill will assist my state in developing exciting new technologies, such as coal-to-liquid fuel plants.

I believe we still have a lot of work to do in order to make our Nation less dependent on foreign energy. However, this bill takes positive steps to address our energy needs. As I just mentioned, this bill will provide significant benefits to my State.

For these reasons, Mr. President, I support the conference report.

Mrs. MURRAY. Mr. President, today I rise in opposition to H.R. 6, the Energy Policy Act of 2005.

I do so because this bill fails to move us beyond the status quo of today's energy situation. Congress rarely steps forward to address our Nation's energy policy, and I believe when we do so we should provide real direction that addresses real problems. Unfortunately, that is not the case here.

I voted for the bill as reported by the Senate, but only narrowly. A few provisions in the Senate bill attempted to address our need to promote renewable energy resources and decrease our consumption of foreign oil. Those few forward-looking provisions have been dropped from this final bill, leaving me with little choice but to vote no for our failure to truly provide some new direction to our Nation's energy policy.

Crafting comprehensive energy policy should offer the opportunity to address the most difficult issues facing our country. The bulk of this bill sidesteps those tough issues and in place of solutions it offers bandaids. Moving toward independence from foreign oil should be a top priority, but it is not addressed meaningfully.

Climate change is a serious issue that Congress simply refuses to address. While some voluntary measures are included, these are simply not enough. We must have meaningful action if we are to protect our health, environment, and economy of our country.

Gone from this bill is the renewable portfolio standard promoted by the Senate. The Senate's provision would have increased the penetration of alternative energy sources. This bill also fails to take adequate steps to develop conservation and efficiency technologies, and yet it offers substantial subsidies to the fossil fuels industry.

This is not the bill I would have written, and this is no longer a bill I can support.

There are sections of the bill that are positive. For example, I am pleased that the conference bill contains provisions protecting the Pacific Northwest's electricity system from unwarranted interference by the Federal Energy Regulatory Commission, FERC, and protects Washington ratepayers from excessively high electricity rates. I am also pleased that the current bill contains a fair and balanced hydroelectric relicensing process and sets new grid reliability standards. I commend my colleague, Senator CANTWELL, who championed Washington State interests.

This bill in particular supports cutting edge research and development at the Pacific Northwest National Laboratory and Washington State universities in the areas of smart energy, advanced scientific computing, and systems biology.

I am equally pleased to see that the bill does not provide MTBE liability protections.

As the world's leading energy consumer, the United States should lead by example and innovation. However, this bill stops short of taking common-sense measures that would truly reduce foreign oil dependence and mitigate the looming threat of climate change. To diversify energy sources in America, fossil fuel use must be offset by conservation, energy efficiency, and clean and renewable fuels.

Yet proposals to set ambitious, yet achievable, targets for reduced oil im-

ports, tighter fuel economies for cars and trucks were defeated. Instead, oil and gas companies will be allowed to scour our fragile coastlines for more oil and gas reserves. Furthermore, this bill awards multimillion dollar tax breaks to those same companies, which are reaping windfalls from record-high oil prices at the expense of Washington consumers, to continue us down the path of fossil fuels, which are a key contributor to climate change. This bill also rolls back significant clean water laws that keep our water safe to drink.

Despite ample protections for Washington ratepayers, it is hard to ignore that this bill, this national energy blueprint, does absolutely nothing to improve energy security or reduce dependence on foreign oil. We need a national energy policy but one that acknowledges the needs for the future, sets a plan, and moves us forward, not a bill that delivers the status quo.

Mr. JOHNSON. Mr. President, today the Senate is poised to pass the Energy Policy Act of 2005, the most sweeping comprehensive Energy bill in over a decade. We need a comprehensive set of policies to attack the energy crunch facing Americans on multiple fronts.

Electricity systems on the West Coast are strained as electrical transmission lines lack capacity and interconnection to move power throughout regions. The dependence of our economy on foreign sources of energy continues to climb unabated, with close to 60 percent of the oil used to power the economy originating from foreign ports and oil fields.

As a Member of the Senate Energy and Natural Resources Committee and as Member of the conference committee charged with hammering out an agreement, I have steered my colleagues in the House and in the Senate to look toward the Heartland as a rich land ready to contribute to our energy security. The Energy Policy Act of 2005 incorporates many of the ideas I have long championed to spring forward South Dakota and the Great Plains as a key future energy producer.

First and foremost, the Energy Policy Act of 2005 establishes a robust Renewable Fuel Standard that will lessen imports of foreign sources of energy and encourage the use of clean-burning renewable fuels.

Beginning in 2006, the Energy bill establishes a robust renewable fuels standard requiring refiners to blend 4 billion gallons of renewable fuels, such as ethanol and biodiesel. That standard would be increased over the next several years until 2012, when refiners would be required to blend a total of 7.5 billion gallons of renewable fuels.

Just in South Dakota alone, over 8000 farm families are invested in ethanol facilities through direct deliveries of corn or in more indirect paths, such as equity shares. The Nation's economy will get a significant and positive boost from enactment of the RFS.

There are several other provisions in the bill that bring South Dakota's

strength to solving the Nation's energy challenges.

Key tax incentives included in the final version of the Energy bill extend the tax credit for small ethanol producers and expand the eligibility of that credit to plants with an annual capacity of up to 60 million gallons is a major victory.

The conference report also provides incentives for bio-diesel. Ethanol is not the only renewable fuel that can be produced in the United States soybean-based bio-diesel holds great promise for use in the Nation's fuel supply.

We focused also on tapping wind energy resources by extending for 2 additional years the production tax credit for wind energy facilities. The production tax credit is a tool used by developers of wind energy projects, such as the wind energy farm near Highmore, SD.

One final tax provision that I feel holds particular promise is the authorization of \$800 million in tax credit bonds to finance the construction of renewable energy projects by not-for-profit utilities and rural electric cooperatives.

I have heard from dozens of electric cooperative and municipal utilities that want to undertake the construction of wind energy projects. However, until this bill, these non-profit entities were excluded from some of the incentives provided for Investor-Owned Utilities pursuing similar renewable energy projects. Now, rural cooperatives can finance, construct, and operate clean energy projects, such as wind turbines and geo-thermal facilities.

The conference report does not include what I believe is an important provision to set benchmarks and targets for producing electricity from renewable energy resources. Like a renewable fuels standard, a renewable portfolio standard would not only reduce the use of fossil fuel sources, but increase economic activity in South Dakota through wind energy and biomass projects.

A modest renewable portfolio standard of 5 or 10 percent is achievable and can be done without increasing retail electricity rates. The benefits of balancing traditional energy sources, such as coal, nuclear, and natural gas, with new technologies will reduce air emissions and spur the creation of jobs in developing energy technology sectors. I include clean coal technologies, such as Integrated Gasification Combined Cycle as an emerging clean coal technology that along with wind and geo-thermal plants hold the promise of producing clean-burning electricity.

As Congress and the States and cities move forward on addressing the energy challenges of the 21st Century, policymakers and industry leaders can lose sight and leave behind developing renewable energy sources. As the Nation and world strain finite fossil fuel resources the need to bring on-line these technologies will only become more acute and practical.

I intend to vote for the Energy Policy Act of 2005. As a Member of the Senate Energy and Natural Resources Committee, I am proud of the job we did in fashioning a bill that will make strong strides forward in tackling the disparate parts of energy supply, transmission, and distribution. The bill also holds strong promise for making South Dakota a substantial energy producer of clean energy and renewable fuels. I urge my colleagues to support the Energy Policy Act of 2005.

Mr. LIEBERMAN. Mr. President, I commend Senators DOMENICI and BINGAMAN for their efforts in securing an energy bill that retains many features important to the Senate. Had I been present for the final vote on the Senate bill 1 month ago, a vote I missed because of the passing of my mother, I would have voted "yes" because I believed that the Senate bill took positive early steps toward development of a comprehensive energy policy, including an important initiative for renewable energy development.

I consulted urgently with Senator BINGAMAN during the House-Senate Conference on an issue that was put before the conferees by the House that would have undermined the Clean Air Act and worsened air pollution in Connecticut and a number of other States. Senator BINGAMAN was able to keep that proposal out of the conference report and I thank him for that. I learned, through that bit of first-hand experience, how hard both Senator DOMENICI and Senator BINGAMAN worked to keep faith with the Senate in producing a conference report that reflected some of the Senate's chief concerns. For that I believe we owe them both a debt of gratitude.

Senators BINGAMAN and DOMENICI are to be commended for recognizing the deep concerns that public officials across New England have about the LICAP proposal and for including a sense-of-the-Congress resolution in the bill directing FERC to reevaluate this proposal in light of their concerns. I note that the sense-of-the-Congress resolution specifically draws to FERC's attention the objections of all six of New England's governors—both Democrats and Republicans.

(See Exhibit 1.)

Mr. President, I ask unanimous consent that two letters, from those governors to the Chairman of FERC expressing their objections to LICAP, be inserted in the RECORD following my remarks.

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

Mr. LIEBERMAN. I cannot emphasize enough the need for FERC to reconsider this deeply flawed proposal—a proposal that would cost New England ratepayers more than \$12 billion over the next 5 years. The governors rightly argue that there are much more cost-effective alternatives to achieving the goal of ensuring our region of the country has adequate electricity that FERC should consider. And I am pleased that

conference report directs FERC to address the governors' objections and recommendations.

While I am disappointed with many of the changes made in the final version of the bill emerging from conference, and feel that we are still far from developing the bold national energy policy we so urgently need, I am voting "yes" today because this bill at least starts the process of changing the status quo.

Still, it is my strong hope that having addressed issues of conventional energy supply through this legislation, we will turn, in the very near future, our urgent attention to the most pressing issues—the clear and inextricable linkage between energy supply and national security, the resulting urgent need for aggressive development of a portfolio of alternative and renewable fuels and conservation strategies, and the need to take comprehensive steps to set mandatory caps on greenhouse gas emissions. Solving these problems—and soon—is a responsibility that we have to today's public as well as our children and grandchildren, an obligation that we will not have fulfilled when this legislation passes.

When this bill becomes law, new energy efficiency standards for appliances will be put into place and businesses, homeowners and consumers will see a range of new incentives to invest in and adopt in their homes, factories and automobiles, clean technologies, such as fuel cells, solar energy, alternative fuel vehicles and hybrids. All this will be done without forcing the Senate and the States to accept a number of provisions that would have done damage to the environment and to the treasuries of State and local governments contending with groundwater contamination, from MTBE. Finally, the bill offers some hope that we will get at least a little bit further in developing some of the technologies that can help combat climate change. Again, it includes a sense-of-the-Congress resolution regarding LICAP, an issue now important to the State of Connecticut but potentially important to us all.

There is also good news to be found in what this bill does not do. It does not include provisions for drilling in the Arctic National Wildlife Refuge. It avoids rollbacks to the Clean Air Act, rollbacks harmful to not just the Northeast, but to all who live and work in areas downwind of pollution sources.

Despite these positives, I am disappointed by the missed opportunities for setting a bold, forward-looking 21st century energy policy. Opportunities to establish a renewable portfolio standard. Opportunities to protect the Outer Continental Shelf fully from potential exploration and drilling. Opportunities to develop clear steps to reduce our dependence on oil. Opportunities to protect our drinking water from possible contamination by toxic hydraulic fracturing fluids. Opportunities to take our first real steps to reduce greenhouse gas emissions.

I urge my colleagues to consider this a beginning, and to continue in earnest our work to reduce the dependence on oil that is so undermining of our national and economic security, to develop alternative and renewable energy sources as well as conservation techniques, and to address the problem of climate change with mandatory steps that are so clearly required, as clearly expressed in the sense-of-the-Senate resolution passed by this body last month.

EXHIBIT 1
THE COMMONWEALTH OF
MASSACHUSETTS,
Boston, MA, June 24, 2005.

Re ISO-New England LICAP Proposal, Docket No. ER 03-563, NESCOE Petition, Docket No. EL04-112.

Hon. PATRICK WOOD, III,
Chairman, Federal Energy Regulatory Commission, Washington, DC.

DEAR CHAIRMAN WOOD: As you know, Massachusetts has been closely monitoring the proposal of ISO-New England (ISO-NE) to develop and implement a locational capacity (LICAP) market in the New England region. Recently, my New England colleagues wrote to you on this important issue expressing their concerns, and I want to take this opportunity to do the same.

While Massachusetts shares the Federal Energy Regulatory Commission's (FERC) interest in an effective capacity mechanism to secure an adequate supply of electricity to serve our region, it is our view that the LICAP proposal is a broader, more costly approach than is necessary to assure the region's reliability. Cost estimates of the LICAP proposal range from \$10 to \$13 billion across New England over the next five years, or approximately a 25 percent increase in the energy portion of the average ratepayer's electricity bill—both residential and commercial customers. This figure translates to approximately \$6.4 billion over five years for Massachusetts alone, which is simply unacceptable. This type of rate shock will have a detrimental effect on Massachusetts and the region's economy.

Massachusetts strongly believes that the ISO-NE has prematurely pursued the development of a LICAP market, rather than first pursuing the development of other solutions that may be less costly for our consumers. The ISO-NE is in the process of developing a locational reserves market to address specific, targeted operating reserve needs that would support fewer required generators. The development of an appropriate capacity market to address regional adequacy issues should be viewed in the context of a regional market plan that considers the existing locational energy market and the development of the locational reserves market, in addition to other contemplated mechanisms. If after the implementation of more cost-effective solutions a resource adequacy issue persists, a further intervention can be developed to solve these problems, while minimizing consumer costs and market disruption.

Given the significant cost associated with this issue to our region, it is important that the FERC consider the other proposals currently under development that may in fact provide a more cost effective solution, while ensuring the adequacy of the region's electricity supply. As always, we look forward to working with the FERC on these important matters so that our consumers and businesses are well served by these important policy initiatives.

Respectfully submitted,

MITT ROMNEY.
Governor.

NEW ENGLAND GOVERNORS'
CONFERENCE, INC.,
Boston, MA, June 23, 2005.

Re ISO New England LICAP Proposal, Docket No. ER 03-563, NESCOE Petition, Docket No. EL04-112.

Hon. PATRICK WOOD, III,
Chairman, Federal Regulatory Commission, Washington, DC.

DEAR CHAIRMAN WOOD: The New England states, through their regulatory agencies, have been litigating the proposal of ISO New England (ISO-NE) to develop and implement a specific type of locational capacity market in the region (LICAP). We share the Commission's interest in an effective capacity mechanism to assure an adequate supply of resources to serve the region's load. It is we governors, after all, on whom citizens ultimately rely to provide for the public health and safety. However, we do not believe that ISO-NE's LICAP proposal is that mechanism. ISO-NE's proposal: (1) does not provide any assurance that needed generation will be built in the right place at the right time; (2) is not linked to any long-term commitment from generators to provide energy; and (3) is extremely expensive for the region. In short, ISO-NE's LICAP is a costly scheme that offers little in terms of true reliability benefits.

The Administrative Law Judge's (ALJ) recommended decision, issued on June 15th, adopted the ISO's proposal and rejected the arguments of state regulators with little or no discussion of the rationale for rejecting the arguments and despite extensive evidence provided in support of their positions. As you can see, we have serious reservations about the efficacy of the demand curve mechanism, we are alarmed by the financial impact on our citizens and businesses, and we are troubled by the process that was employed to arrive at this result. Accordingly, we are obliged in the best interests of our constituents to oppose this decision.

Late last year we answered your invitation and presented a proposal to you for a regional state committee (RSC). Per your suggestion, we identified resource adequacy assurance as a core area of policy leadership we would provide. Many months have passed since we filed our proposal but the Commission has yet to act on the matter. The purpose of this letter is to urge you to defer action on ISO-NE's deeply flawed LICAP proposal, to issue an order authorizing the RSC, and to direct the RSC to develop a proposal that serves the region.

Deferring immediate action on ISO-NE's LICAP proposal will not undermine system reliability. Short-term contractual arrangements are available to ensure reliability in any sub-regional zone that may, during peak periods, require additional support. In addition, New England currently has adequate overall capacity and a surplus of generation in some states.

ISO-NE's LICAP proposal is only one of many capacity market proposals that could assure long-term resource adequacy in the region. The specific proposal before the Commission is based on an administratively set pricing system that we fear will set capacity charges too high. This fear appears well grounded in light of estimates we have seen that show increased costs in the vicinity of \$10 billion for the region's constituents over the next five years. In isolation these numbers are disturbing enough but imposition of LICAP charges of this magnitude on top of the increases we are already experiencing in energy commodity prices will place serious stress on our state economies. Indeed, in Maine alone up to 1,500 jobs could be lost as a result of the decrease in consumer spending resulting from LICAP price shock. In Connecticut, there is a significant risk that large industrial customers will relocate out of state due to the projected massive price

increase resulting from the LICAP charge. Given these high cost estimates and the lack of any assurance that new capacity will indeed be built, it is essential to allow the states, through the regional state committee, to fully consider all alternatives to the ISO-NE proposal—something which has not been allowed in the current proceeding.

We write today not only to highlight the real world effects that your decision in this case may have on our constituents. As governors of the New England states, we also stand ready to assist the Commission in developing a sensible approach to New England's capacity needs through the vehicle you identified as responsible for formulating resource adequacy policy—namely the RSC. We, through the regional state committee, are prepared to lead.

We are hopeful that you will take our concerns to heart by deferring action on this matter until you have permitted the regional state committee to have the opportunity to propose a more effective, less costly approach.

Sincerely,

Governor DONALD L.
CARCIERI,
Chairman, Rhode Island.
Governor JOHN LYNCH,
New Hampshire.
Governor M. JODI RELL,
Connecticut.
Governor JAMES H.
DOUGLAS,
Vermont.
Governor JOHN E.
BALDACCI,
Maine.

Ms. MIKULSKI. Mr. President, the United States needs an energy plan that balances traditional sources of energy with alternative energy sources and conservation. The energy conference report is not a perfect bill, but it is the result of true bipartisan compromise that managed to put some of the most harmful provisions on the cutting room floor.

On balance, I support this bill because it moves us towards a more stable, reliable electricity grid, protects our consumers, and includes much needed investments in renewable sources of energy.

I am especially pleased that this bill strengthens the reliability of our electricity grid and protects ratepayers from market abuses, particularly in the wake of Enron and the massive blackouts that struck parts of the Midwest and Northeast 2 years ago. I am also pleased that the bill reauthorizes the Low Income Home Energy Assistance Program, LIHEAP. This program protects our most vulnerable citizens by assisting them with their heating and cooling bills.

I am also pleased that the conference report does not contain many of the most harmful provisions that were included in this legislation in the past. The bill does not allow for drilling in the Arctic National Wildlife Refuge, ANWR. The bill also does not include provisions that would shield producers of gasoline additives from lawsuits. I strongly opposed these provisions in the past and am pleased they are not included in this bill.

Unfortunately, the bill does contain some questionable environmental provisions. I am also disappointed that the bill does not include important provisions I supported in the Senate bill, particularly the renewable portfolio standard, steps to deal with global warming, and requirements that would have lessened our dependence on foreign oil.

In the end, this is not the bill that the Democrats would have written. It doesn't address the most pressing issues facing our country today: sky-high gas prices, global warming, and our growing dependence on foreign oil. But the bill does take important steps to strengthen the reliability of our electricity grid, protect consumers from market abuses, and move us towards greater use of renewable sources of energy. This is just the beginning of a serious debate that will continue in the halls of Congress and in communities all across the country in the days to come.

Mr. LEVIN. Mr. President, I am supporting the conference report on the Energy bill. The conference report includes provisions that will increase the diversity of our Nation's fuel supply, encourage investment in infrastructure and alternative energy technologies, increase domestic energy production, take steps to improve the reliability of our electricity supply, and improve energy efficiency and conservation. This conference report is far from perfect but on balance it moves toward a sounder energy policy that will lead the way to greater energy security and efficiency for the United States.

Our policies have long ignored the problem of U.S. dependence on foreign oil, and we remain as vulnerable to oil supply disruptions today as we have been for decades. Taking the steps necessary to reduce our dependence on foreign oil is an important objective for this country. We need a long-term, comprehensive energy plan, and I have long supported initiatives that will increase our domestic energy supplies in a responsible manner and provide consumers with affordable and reliable energy.

There are some positive provisions included in the conference report in this regard, particularly those provisions that address energy efficiency and will lead us toward greater use of advanced vehicle technologies and alternative fuels such as ethanol and biodiesel. I have also long advocated Federal efforts that will lead to revolutionary breakthroughs in automotive technology that will in turn help us reduce our oil consumption. We need a level of leadership similar to the effort of a previous generation to put a man on the moon.

The conference report includes a wide-range of energy efficiency provisions that will make conservation and efficiency a central component of our Nation's energy strategy. These provisions address Federal, State, and local energy efficiency programs, provide

funding for important programs such as home weatherization, and establish efficiency standards for a wide variety of consumer and commercial products. I am particularly pleased that the conference report authorizes both the weatherization program and the Low Income Home Energy Assistance Program, LIHEAP, at higher levels of funding than the Congress has provided in recent years.

The conference report takes critical steps to improve the reliability of our electrical grid and promote electricity transmission infrastructure development. Our economy depends upon electric power, and, in some cases, electric power literally saves lives. Failures in the electric system interrupt many crucial activities, and the need for improvement was underscored painfully by the August 2003 blackout. There were 2 key lessons from the blackout—the need for strong regional transmission organizations to ensure that reliability standards are carried out and enforced, and the need for additional transmission upgrades to maintain reliability. I regret that it has taken 2 years to legislate on these issues, but I am pleased that the conference report includes the steps necessary to ensure there will be mandatory and enforceable reliability standards.

The conference report also puts increased emphasis on diversity of supply and includes a range of provisions intended to encourage the use of new and cleaner technologies, particularly for power generation. Nearly 60 percent of electricity generation in Michigan is generated from coal, which will remain a vital resource well into the future. Programs authorizing research in clean coal-based gasification and combustion technologies will ensure that the most advanced technologies are developed for power generation. Other provisions of the conference report also encourage the use of innovative technologies for both power generation and other end-uses.

Increased emphasis on diversity of fuel supply will help to take the pressure off our tight natural gas supply, which is important for States such as Michigan with a large manufacturing base. Over the past 6 years, the tight natural gas supply and volatile domestic prices have had significant impacts on the U.S. manufacturing sector, which depends on natural gas as both a fuel source and a feedstock and raw material for everything from fertilizer to automobile components. As domestic production of natural gas has declined, demand for natural gas has increased dramatically, particularly in the area of power generation. Today, U.S. natural gas prices are the highest in the industrialized world, and many companies have been forced to move their manufacturing operations offshore. More than 2 million manufacturing jobs have been lost to overseas operations in the 5 years, in part no doubt because natural gas prices

jumped from \$2 per million Btu to more than \$7 per million Btu.

I am pleased that the conference report includes significant provisions from the Senate bill for research, development, demonstration and commercialization effort in the area of hydrogen and fuel cells. I believe that this program will help us make critical strides toward realizing the goal of putting hydrogen fuel cell vehicles on the road over the next 10 to 15 years. The conference report also includes an amendment I offered in the Senate to have the National Academy of Sciences conduct a study and submit a budget roadmap to Congress on what level of effort and what types of actions will be required to transition to fuel cell vehicles and a hydrogen economy by 2020. If hydrogen is the right answer, we will need the equivalent of a moon shot to get there. We will need a significant Federal investment—well beyond anything we are doing today—in conjunction with private industry and academia to reach that goal. This study and roadmap will be an important step toward determining if that is the right path to follow.

We also need to put greater Federal resources into work on other breakthrough technologies such as advanced hybrid technologies, advanced batteries, advanced clean diesel, and hybrid diesel technology. Federal Government investment is essential not only in research and development but also as a mechanism to push the market toward greater use and acceptance of advanced technologies. Expanding the requirements for the Federal Government to purchase advanced technology vehicles will help provide a market for advanced technologies. Encouraging and supporting State and local efforts is also important in the effort to push these advanced technologies forward. Therefore, I am pleased the conference report includes the amendment offered by Senator VOINOVICH in the Senate to authorize \$200 million annually for 5 years to fund Federal and State grant and loan programs that will help us to replace older diesel technology with newer, cleaner diesel technology. These initiatives will help the U.S. to develop advanced clean diesel technology, which can make a major contribution toward our meeting stricter emissions standards in a cost-effective manner.

Finally, the conference report also includes important tax incentives for advanced technology vehicles—including advanced clean diesel, as well as hybrid and fuel cell vehicles—that are critical to encourage consumers to make the investment in these technologies. I would have liked for the tax package to have included more generous tax credits for consumers and to have included an investment tax credit to manufacturers to help defray the cost of re-equipping or expanding existing facilities to produce advanced technology vehicles. The tax incentives included in the conference report are a modest first step. I will continue to

press for an investment tax credit for manufacturing of advanced technology vehicles because I believe it is necessary to offset the high capital costs of such an investment and to ensure that these vehicles will be made in the U.S.

I am pleased that the conference report includes an amendment that I offered in the Senate with Senator COLLINS to direct the U.S. Department of Energy to develop and use cost-effective procedures for filling the U.S. Strategic Petroleum Reserve. This provision requires DOE to consider the price of oil and other market factors when buying oil for the SPR and to take steps to minimize the program's cost to the taxpayer while maximizing our energy security. Since early 2002, DOE has been acquiring oil for the SPR without regard to the price or supply of oil. During this period the price of oil has been very high—often over \$30 per barrel—and the oil markets have been tight. Many experts have stated that filling the SPR during the tight oil markets over the past several years increased oil prices. With this provision, the conference report directs DOE to use some common sense when buying oil for the SPR.

I am also pleased that the conference report provides at least a short-term approach to some air quality issues in West Michigan. Interstate pollution from upwind areas such as Chicago and Gary, has resulted in several Michigan counties being designated by the EPA as in nonattainment with the National Ambient Air Quality Standards. This interstate pollution not only has environmental and health ramifications, but also has economic development implications because nonattainment regions are required to comply with more stringent regulatory standards. The 2 year respite from these additional regulatory provisions for West Michigan counties whose air quality problems were caused by upwind sources will provide temporary regulatory relief. However, these counties are still burdened with air pollution they did not cause. I am hopeful that EPA's 2 year demonstration study of the long-range transport of ozone and ozone precursors required in the Energy bill will provide helpful information for addressing the source of the pollution and result in improved air quality for downwind areas. Until the source pollution is addressed, West Michigan will continue to be plagued by pollutants from upwind areas. I am hopeful that this study and 2 year delay in regulatory requirements will provide the motivation for addressing the broader problems of interstate air pollution.

I am pleased that the conference report contains a ban on future drilling in the Great Lakes. Millions of people rely on the Great Lakes for drinking water, and it is simply irresponsible to risk contamination of this source of drinking water, tourism and recreation. Preventing future drilling does not jeopardize more than a minute

amount of our energy supply, and the bill does that for a very good cause, which is the protection of one of the world's truly great natural assets, the source of about 20 percent of the world's fresh water.

The conference report puts some increased emphasis on renewable energy technologies, such as wind, biomass, and solar power. These technologies are becoming more economical every year. In fact, in some areas of the country these technologies are competitive with traditional fuels such as coal and natural gas. However, I regret that the conference report deleted the Renewable Portfolio Standard, which I supported in the Senate bill that would have pushed the sellers of electricity to obtain 10 percent of their electric supply from renewable energy sources by the year 2020. I believe that these goals could have been met and that an increased use of renewable technologies will both reduce our dependence on foreign oil and lead to the creation of tens of thousands of new jobs.

I regret that the conference report does not include a comprehensive effort to adequately address the impact of global climate change. For years, almost all scientists have agreed that human actions are causing temperatures around the world to increase. Experts also agree that this global climate change will lead to environmental problems and economic hardship, but there has been no consensus in the United States about what we should do to stop climate change.

The threat is real and growing, and the longer we wait to reach a reasonable consensus, the more painful the solutions will be. I believe two major policy changes are needed at the Federal level: support for a new, binding international treaty that includes all countries, and a massive new Federal investment in research, development and commercialization of new technologies. Both of these steps would provide real environmental and economic benefits while being fair to American workers. The Senate considered several well-intentioned proposals on this issue, though I did not believe they would have taken us in a comprehensive direction. I supported a Sense of the Senate resolution that acknowledges the problem and calls on the administration to work with the Congress to enact a comprehensive national program to address this issue. I regret that the conference report did not include such a modest provision.

Finally, I am disappointed the provision allowing continued export of highly enriched uranium was included in the conference report. The amendment that Senator KYL and Senator SCHUMER offered to strike this provision from the Senate passed bill was adopted by the Senate by rollcall vote. It is unfortunate that this provision, which is a special interest provision, granting relief to one Canadian company was reinserted in the final agreement. This provision undermines longstanding

U.S. efforts to eliminate highly enriched uranium in commerce, and increases the possibility that highly enriched uranium could be stolen by terrorists and used in a nuclear weapon or radiological device.

The energy bills considered by the Congress over the last couple of years have been doomed by a heavy-handed, partisan approach. We lost valuable time in putting us on the course toward a sounder energy policy. The conference committee pursued a different approach this year, and as a result, was able to produce a bill with bipartisan support, which, while far from perfect, on balance, is an improvement over current policy.

Mr. DURBIN. Mr. President, first, I would like to thank both the chairman and the ranking member of the Energy and Natural Resources Committee, Senators DOMENICI and BINGAMAN, for working together in a more open and bipartisan way in developing the bill we are considering today.

While there are many provisions that should be in this bill but aren't and many other provisions in here that I don't agree with, this bill could have been worse. There are numerous extraneous and environmentally harmful provisions that were in previous energy bills but are not included here. I appreciate both of my colleagues' efforts to avoid those pitfalls and produce the Energy bill we are now considering.

However, there remains one very large and glaring omission in this bill. While framed as a "comprehensive national energy policy," this bill completely ignores the most important energy issues facing America, our growing dependence on foreign oil and the impact this dependence has on our economic security and national security.

I have no doubt that our Republican colleagues will go home and hold press conferences claiming victory. They will say that they finally broke through the obstructionism and passed an energy bill that will reduce America's dependence on foreign oil; a bill that will make America more secure.

I wish that were true—but it is not. This is not an energy policy for America in the 21st century. And that is very unfortunate.

The price of a barrel of oil is above \$60 and rising, gas prices are again reaching record highs, yet this bill offers no solution. In all of the pages of text, there is no meaningful program or plan to reduce our dependence on foreign oil. There is no provision that increases fuel efficiency or promotes oil conservation. There is no provision to create a comprehensive, long-term program for the development of renewable, sustainable fuels.

This bill could have been a roadmap to a new energy future in America, but instead it leaves us stuck in our current energy mess.

Supporters of this bill will claim that it can reduce America's dependence on foreign oil by increasing domestic oil production. But I would point out a

well-known fact—the U.S. contains only 3 percent of the known global oil reserves in the entire world. No matter how much we drill here, we will never drill enough to meet our growing thirst for oil.

As long as we continue to consume as much oil as we do today, without addressing the hard issues such as fuel economy standards, we will become more, not less, reliant on foreign oil. With global demand for oil steadily increasing, this continued dependence on imported oil could have devastating economic consequences.

Today we import 58 percent of our oil. The Department of Energy's Energy Information Administration projects that the U.S. will import 68 percent of our oil by 2025—more than $\frac{2}{3}$ of our oil consumption.

Former CIA Director James Woolsey, Robert McFarlane, former President Reagan's National Security Adviser, and other national security experts have created a group they call the Set America Free Coalition. According to them, "It is imperative that the nation's energy policy address the national security and economic impacts of growing oil dependence."

Imagine what would happen to the U.S. economy if there were a major disruption in oil supplies in a foreign producing country—perhaps in the Middle East. Can you imagine what could happen to our economy?

I can. Thirty years ago, war in the Middle East caused oil prices in the U.S. to increase by 70 percent. Overnight, the price of oil rose from \$3 per barrel to \$5.11 per barrel. Just a few months later, oil prices more than doubled again to \$11.65 per barrel.

At the time of the 1970s oil embargo the U.S. imported less than a third of our oil. This embargo hit Americans hard, as many remember well. Back then, Congress recognized the economic impact of oil dependence and took steps to address oil consumption in America. Among other actions, Congress passed national fuel economy standards, raising passenger cars from an average 12.9 miles per gallon in 1973 to 27.5 miles per gallon by 1985.

Increasing fuel economy standards for cars is one of the most effective steps we can take to reduce oil dependence. Unfortunately, this Congress has rejected that goal.

Listen to this, from an article published in *BusinessWeek* about a month ago:

As Congress puts the final touches on a massive new energy bill, lawmakers are about to blow it. That's because the bill almost certainly won't include one policy initiative that could seriously reduce America's dependence on foreign oil: A government-mandated increase in the average fuel economy of new cars, SUVs, light trucks and vans.

BusinessWeek was right, Congress did blow it.

Congress has blown it at a time when the National Academy of Sciences and many other energy and engineering experts tell us the technology is available

today to reduce our need for oil by 3 million barrels per day by 2015.

Not only is there no new fuel economy standard, the energy conferees even rejected a modest provision that would have reduced oil consumption by 1 million barrels per day by 2015—just 4 percent of the petroleum it is projected we will use by 2015.

Incredibly, it is President Bush's stated policy to oppose any fuel savings measures.

Does this make any sense?

There is only one provision in this entire bill that may—may—reduce America's dangerous dependence on foreign oil: a renewable fuels provision that requires a doubling in ethanol production by 2012. This provision will reduce oil consumption by about 1 percent over the next 7 years.

But does this limited 1-percent reduction in imported oil over 7 years represent the best we can do for America's energy security? Economic security? National security?

Senate Democrats believe that Americans can do better than we are today.

We offered a plan to reduce America's dependence on imported oil by 40 percent by 2025. This goal was a realistic goal—with realistic changes in the way we use energy, advance the production and application of energy technology, and promote energy efficiency and conservation.

Nearly half of the Members of this body voted for our plan.

But big oil companies, car companies, and their allies in the White House and Congress rejected even setting a goal.

How is it that the same administration that talks about sending a man to Mars does not have enough faith in American genius and American know-how to believe that our scientists and engineers can determine how to increase the fuel efficiency of our automobile fleet safely?

Almost 3 months ago, I spoke to an auditorium of scientists at the Argonne National Energy lab—America's first national energy lab just outside of Chicago. The scientists there do not think that decreasing America's overreliance on foreign oil is impossible. They think it is imperative.

Instead of shoveling billions of dollars at oil and energy companies, we ought to be investing in the work of those and other scientists. Yet, the Republican leadership, from the White House on down, is cutting public investments in scientific research and providing billions of dollars in tax incentives to big oil companies that have been recording record profits.

This bill takes much of the \$11.5 billion in tax incentives that could have been used to develop renewable and alternative energy sources and instead gives it to big oil and energy companies.

For instance, there are generous royalty payment relief provisions for energy companies that drill on Federal lands. A better bill would have main-

tained royalty payments and used these funds to extend the production tax credit for wind generation beyond the 2 years written in this bill. Unfortunately the 2-year extension will continue the boom and bust cycle we've witnessed in the investment of wind generation.

The President himself says that oil and energy companies do not need tax cuts—but he will sign this bill anyway, even if they are included.

Think about that: the upcoming reconciliation bill will contain \$10 billion in cuts in health care for the poor while this bill provides over \$10 billion in tax breaks, mostly for big oil and energy companies.

Talk about a Congress out of touch with America.

And we will have to borrow the money to pay for those tax breaks and pay interest on that money too, so the true cost is even higher.

This is a failure in leadership.

From the day they took office, the Bush administration made passing a new national energy bill a top priority. The President put the Vice President in charge of getting the job done. We still don't know how much of this bill can be traced back to the Vice President's secret energy task force because the administration has gone to extraordinary lengths—all the way to the U.S. Supreme Court—to keep all of its records about the task force secret.

There are at least two things the big oil and energy companies wanted that are not in this bill.

For 5 years, MTBE manufacturers prevented the passage of an energy bill by demanding that they be shielded from liability for groundwater contamination caused by their product. Thankfully, the liability waiver is not in this bill—so Americans won't have all the cleanup costs shifted onto the taxpayers.

Oil companies also fought hard against increasing ethanol production—knowing that this renewable fuel would replace some of their products. The oil companies wanted only a token nod toward ethanol.

Thankfully, this bill contains a renewable fuel standard that increases the use of domestically produced renewable fuels to 7.5 billion gallons by 2012. This change will be good for America's economy, good for our energy security and good for Illinois farmers.

Illinois farmers grow corn that provides 40 percent of the total ethanol consumed in the U.S. annually. They stand ready and eager to meet the new challenges in this bill.

I believe the renewable fuels standard can lead to greater energy security for our Nation.

I will vote for this bill for one reason. After 4 years of fighting this battle, it is clear we are not going to get an energy plan for the 21st century as long as Texas oil men are in charge of the Federal Government. This is as good as we are going to get.

It has been 13 years since the last time America passed a national energy plan. I can guarantee you, it will not be another 13 years before this plan is abandoned and replaced with a more visionary and responsible plan.

We should have increased America's national and economic security by reducing our reliance on oil imported from Saudi Arabia and other politically volatile nations. We have the scientific ability to meet that challenge. Unfortunately, we lack the political leadership to do so.

The price we will pay for this failure of leadership in rising gas prices and increased risk to our national economy and national security will far exceed the cost of the wasteful tax breaks this bill gives to big oil.

This bill does not reduce gas prices at the pump, it does not reduce dependence on foreign oil, it does not address fuel efficiency and conservation, and it does not increase America's economic and national security. It is not an energy plan for the 21st century.

And it is definitely not the end of the energy debate—only the beginning.

Mr. HATCH. Mr. President, as the Senate is poised to pass the Energy Policy Act of 2005 and send it to the President, Utahns should sit up and take notice, because our State is at the heart of this legislation. So many of the problems in our energy structure have solutions that can be found in Utah, whether it is the need for more clean coal, more clean geothermal energy, more natural gas, better hydroelectric, more refining capacity, or more major sources of domestic oil, Utah will play a major part in the solution.

I want to talk more about some of these solutions, but first, let me take a moment to thank Chairman DOMENICI and Senator BINGAMAN of the Senate Committee on Energy and Natural Resources for leading us to this point. The Senate Finance Committee, on which I sit, has made a major contribution to the bill with its tax incentives title. Chairman GRASSLEY and Senator BAUCUS deserve just as much praise for their outstanding coordination and hard work on that important part of this bill.

As the ranking member of the Finance Committee and as a Conferee on this legislation, I was able to watch all 4 of these men work together under pressure, and I could not be more impressed with their leadership and the work their excellent staffs have provided to our nation at this critical time. Working together, they have given us what I consider to be one of the most important bills to be enacted in a long time.

I have, at times, been criticized for reaching across the aisle to accomplish important policy goals. Some believe that compromise signals weakness. Well I just plain disagree, and after 4 years of failing to pass a major Energy bill with a simple majority, I think the Senate has proven that we stand the

strongest when we stand together. And our energy situation calls for this type of leadership and strength.

Over the last decade, American consumers have increased their demand for oil by 12 percent, but domestic oil production has grown by less than ½ of 1 percent. Is it any wonder that we rely on foreign countries for more than half our oil needs? We import 56 percent of our oil today, and it is projected to be 68 percent within 20 years.

On the larger scale, global demand for oil is growing at an unprecedented pace—about 2½ million barrels per day in 2004 alone. While global oil production is increasing, the discovery of new oil reserves is dropping off at an alarming rate. Moreover, trends indicate that the global thirst for petroleum will continue to grow, especially in Asia.

If our Nation must rely on oil imports to meet our future energy needs, we are headed for trouble, because, unless something changes, a sufficient oil supply will not be there. We should keep in mind that the transportation sector in the U.S. accounts for nearly ⅓ of all of our oil consumption, and that sector is 97 percent dependent on oil. It could not be more clear: if we want to improve our energy security, we must focus on our transportation sector, and we must focus on diversifying our transportation fuels.

Recently, we heard President Bush call on our Nation to “develop new ways to power our automobiles,” and he spoke of his proposal to provide \$2.5 billion over 10 years in tax incentives for the purchase of hybrid technologies. The President also called for a better alternative fuel infrastructure and the need to develop hydrogen fuel cell vehicles.

As for these policies the President addressed, my legislation, S. 971, the Clean Efficient Automobiles Resulting from Advanced Car Technologies Act, or CLEAR ACT, is exactly where the rubber meets the road. The CLEAR ACT, now a part of this Energy bill, is the most comprehensive and effective plan put forward by Congress to accelerate the transformation of the automotive marketplace toward the widespread use of fuel cell vehicles. And it does so without any new Federal mandates. Rather, it offers powerful market incentives to promote the advances in technology, in our infrastructure, and in the alternative fuels that are necessary if fuel cells are to ever reach the mass market. With the CLEAR ACT we accomplish this goal, but in the meantime, we also get cleaner air, we reduce our dependency on foreign oil, and we help lead our Nation into the future.

Historically, consumers have faced three basic obstacles to accepting the use of alternative fuels and advanced technologies. These are the higher cost of the vehicles, the lack of an infrastructure of alternative fueling stations, and the higher cost of alternative fuels. The CLEAR ACT will

lower all three of these market barriers through the use of tax incentives.

First, we provide a tax credit for the purchase of alternative fuels. Next we promote a new infrastructure of alternative fuel filling stations by extending an existing tax deduction for the purchase of the necessary equipment and providing a new tax credit for the cost of installing it.

Finally we provide a Clear Act Credit to consumers who purchase alternative fuel and advanced technology vehicles. This includes fuel cell, hybrid electric, alternative fuel, and battery electric vehicles.

All of the technologies promoted in the CLEAR ACT—whether they be battery or electric motor technologies or advances in fuel storage and alternative fuel infrastructure—lead us closer to the hydrogen fuel cell vehicle. I believe fuel cells are in our future. However, even if the widespread use of fuel cell vehicles never becomes a reality, advances in these other technologies provide a dramatic social benefit on their own.

I have heard from some who question the need for incentives for hybrid vehicles when they are popular in some areas. It may be true that demand for these vehicles is high in a few regions. However, these high-demand areas tend to have local or state incentives in place for the purchase of these vehicles. Where incentives are not in place, hybrid sales are minimal. This demonstrates that incentives can indeed provide a market breakthrough to consumer acceptance of alternative vehicles.

With the CLEAR ACT, we are trying to provide that breakthrough on a national scale. And the numbers show that a breakthrough is desperately needed. It may be true that hybrid sales have doubled in the last couple of years, but they still represent a minuscule 0.48 percent of cars that were sold in 2004. So I am very pleased, Mr. President, that the energy bill will lead us into the future in this regard.

We should also be using more clean alternatives when we generate another form of energy—electricity. I am very pleased that the Energy bill includes S. 1156, my legislation that extends and expands the production tax credit for electricity from renewable sources, including geothermal. This is particularly important to my home State of Utah, which has vast potential for the creation of electricity from geothermal sources, along with other renewable energy sources, such as wind and biomass.

While this production tax credit has been in the tax code for some time, it had an unfair feature that provided the tax credit for 10 years for electricity produced from wind, but only for 5 years for electricity produced from most of the other renewable resources. This inequity has skewed investment in these resources unfairly and in a way that has not led to the best use of these national assets.

I am happy to see that this provision has survived in conference. This should result in a better-balanced and higher output of electricity from all our renewable resources.

And, I have highlighted just two among many important provisions in this bill that will promote the greater use of alternative and renewable sources of energy.

We cannot escape the fact that our nation remains reliant on oil and gas, and we absolutely must increase our supply of these resources in a big way.

It is a little known fact that the largest hydrocarbon resource in the world rests within the borders of Utah, Colorado, and Wyoming. I know it may be hard to believe, but energy experts agree that there is more recoverable oil in these 3 states than there is in all the Middle East. In fact, the U.S. Department of Energy estimates that recoverable oil shale in the western United States exceeds 1 trillion barrels, but it is not counted among world reserves, because it is not yet commercially developed. If anyone is wondering what the significance is of that number, he or she should know that the world's oil reserves stand at just about 1.6 trillion barrels. That means we have almost as much unconventional oil in Utah, Colorado, and Wyoming as the rest of the world's conventional oil combined.

Companies have been waiting for the Federal government to recognize the potential of this resource and allow access to it. My legislation, S. 1111, the Oil Shale and Tar Sands Development Act, will do just that, and more.

Some have been understandably hesitant to develop this resource. During the 1970s, there was a very large and expensive effort in western Colorado to develop oil shale there. When the price of oil dropped dramatically, though, the market for oil shale went bust and the region suffered an economic disaster.

We need to remember that our past failure in this area was not necessarily a failure of technology, but was due to a dramatic slump in gas prices. We now have a different scenario. Today, the world is reaching peak oil production of conventional oil, and cheap oil prices are nowhere in sight.

We have already seen that a shift in focus to unconventional fuels such as tar sands produce mind-boggling results. Only a few years ago, Alberta, Canada recognized the potential of its own tar sands deposits and set forth a policy to promote their development. As a result, Canada has increased its oil reserves by more than a factor of 10, going from a reserve of about 14 billion barrels to its current reserve of more than 176 billion barrels in a very short period. And just think—we are sitting on a similar resource of oil shale and tar sands in the United States.

It is frustrating to learn that Utah imports about one-fourth of its oil from Canadian tar sands, even though we have our own very large resource of

tar sands in our own state sitting undeveloped. I look forward to the day in the not-too-distant future, when Utah's oil shale and tar sands are developed to their potential. If it happens, and I believe that it will, Utah will become a world leader in oil production.

But even if we do solve the oil importation issue, we still have another problem. Our Nation is so lacking in refining capacity for crude, that we are forced to import 10 percent of our refined fuel. We could produce all the domestic oil in the world, but until we can refine it, we cannot use it.

It is clear that one of the reasons we currently have sharply higher gasoline prices is that we simply do not have enough refining capacity in this country. This is both a short-term and a longer-term concern for our economy and national security.

Regrettably, gasoline, diesel, jet fuel and home heating oil supplies are simply too tight in America today. There is not a lot that can be done in the very near term to address the higher cost of fuel that is attributable to refining bottlenecks. However, ensuring the long-term viability of the U.S. refining industry should be at the very heart of a smart national energy policy.

One of the major problems with our refining capacity is that industry profitability has been poor over the past several decades. This has contributed to the steady decline in the number of operating refineries in America from more than 300 in 1980 to less than 150 today. I am told the last major refinery to be built in America came on line in the 1970s.

Earlier this year, the National Petroleum Council reported that U.S. refining capacity growth was not keeping pace with demand growth, that poor historic returns in the refining sector was impeding further investment, and that major expenditures in new regulations were limiting the funds available for capacity expansions. This was bad news crying out for a solution.

Another problem mentioned in the report is that the 10-year depreciation schedule prescribed by the current tax law for refining assets is much longer than the write-off periods for similar process equipment in other manufacturing industries. Also, the tax code does not contain any incentives to encourage new investment in refining capacity, which is an endeavor that carries high costs and risks.

With these facts in mind, I introduced S. 1039, the Gas Price Reduction Through Increased Refinery Capacity Act of 2005. S. 1039 would adjust the depreciation period for assets used in refining from 10 years to 5 and would allow an immediate write-off of these assets if companies made an early and firm commitment to invest in new capacity within a relatively short time.

I thank Senator GRASSLEY for including the temporary refinery expensing provisions of S. 1039 in the Chairman's mark of the tax title to the Energy bill. This provision passed the Senate

as part of the energy tax package. I am pleased the Conference Committee accepted this provision even though cost constraints forced us to limit the incentive to 50 percent expensing.

This is the first provision passed by Congress in the past half century that gives the U.S. refining industry a specific tax incentive designed to spur investment in increased refining capacity. The National Petrochemical & Refiners Association, which represents virtually all U.S. refineries, has indicated this measure will help stimulate facility expansions and output. It is the only provision in the entire Energy bill that encourages refining capacity growth and increased gasoline, diesel and jet fuel supply for consumers. This provision alone should make a significant difference in fuel supplies.

Utah is a major gas producer. But most of Utah's natural gas lies under our vast public lands. Utah has a large supply, but as you might guess, Federal red tape is the number one obstacle to supplying the country with the natural gas it demands.

One example is the natural gas found within Utah's tar sands. Historically, extracting natural gas from tar sands has required a dual application requiring both a permit for gas extraction and mineral extraction. I introduced a bill that amends the Mineral Leasing Act to allow a company only going after the gas to forgo the permitting for mineral extraction, while fully leaving in place every relevant environmental law and regulation. This legislation, S. 53, was included in the energy bill.

In another effort to create a lose-lose situation, the Department of the Interior recently published a rule that would tack on a new and expensive fee on new Applications for Permit to Drill (APDs) for natural gas development. As members of the Conference Committee, Senator CRAIG THOMAS and I joined forces to put an end to this fee for at least 10 years.

We do not need another hurdle to obtaining gas from our public lands. The Federal government receives about \$1.6 billion every year in royalties from gas production on public lands. With every new well in Utah, gas companies pay a generous royalty to Federal and State governments. It is simple math—in the long run, Utah and the Nation loses money when wells are stopped because of fees. We also suffer from the resulting slow down in the supply of natural gas.

Finally, I was a proponent of an item in the Energy bill that reduces the depreciable lives of natural gas gathering and distribution lines. By being able to depreciate their equipment more quickly, companies are better able to invest in future production activity. This provision should help spur investment in more exploration and production of this clean and important fuel.

As I mentioned at the beginning of my remarks, the Energy Policy Act will have a very large impact on Utah,

not only in positive economic growth and jobs, but also in the benefits of cheaper and cleaner energy costs for families and businesses. Again, I thank the leaders in the Senate who have brought us to this point, along with their counterparts in the House of Representatives. I think we have proven today, that Congress can respond to the needs of the nation and our citizens when we work together with that goal in mind.

Mr. BYRD. Mr. President, 13 years have passed between the time Congress passed national energy legislation and the conference report we are taking up today. This conference report is not perfect, and it does not go as far as I would have hoped in terms of moving the U.S. down a different energy path. It does, however, include a number of positive elements, including several relating to coal and clean coal technologies that I have supported for a number of years. But, if we wait another 13 years and continue to ignore the looming energy threats that remain unaddressed, we may find ourselves woefully behind the rest of the world.

If the U.S. is to remain competitive and keep pace with our growing energy demands, then we must take stock, as a Nation, of our energy security and make it a top national priority. We cannot achieve energy independence with continued incremental, piecemeal efforts. It is time to devote new innovation and ingenuity to energy policy and blaze a path forward. We need to be free of the chains of foreign oil. To do that, we must invest in the energy resources that we have here at home. Coal is at the heart of that effort.

By encouraging the cleaner, more efficient use of coal in powerplants and other facilities, we help to ensure jobs in West Virginia's coal communities for many years to come. At the same time, we must find more ways to utilize coal as an energy source in the 21st century. West Virginians know that, for the United States to be free of our heavy reliance on Middle Eastern oil, we must make investments in coal, biomass, and other domestic, power-producing resources. We must be prepared to make the hard decisions to make energy security a national priority, not a mere afterthought.

For many years, the Middle East has been a hotbed of tumult and strife. An underlying reason for our continued presence in this region is the protection of our oil lifeline. Unfortunately, even if the Congress passes this energy legislation, it will do little, if anything, to reduce our dependence on foreign energy. In fact, we will continue to become more dependent by the day. Instead of disentangling ourselves from this foreign oil dependency, we will be sinking our military and energy fortunes deeper and deeper into the sands of the Middle East.

West Virginians and Americans everywhere should understand that there are some very good features of this

conference report, but they should not be fooled. Our citizens will see little change in terms of gas prices or natural gas prices. There will likely be few changes in our production or use of energy. I fear the U.S. will continue to ride down the same rocky road for years to come.

Regrettably, House Republicans also objected to including in the Energy conference report my commuter tax benefit to help rural workers who are paying exorbitant prices at the fuel pump. Big Oil, which is reaping huge windfalls from fuel prices this year, is denying modest relief to working Americans. This is but one of the many examples of how this bill sidesteps the difficult decisions that ultimately must be made to address energy costs, to reduce our reliance on foreign energy, to substantially improve our domestic energy supply and energy efficiency needs, and to deal with global climate change. We are doing little, if anything, to address seriously these critical challenges.

I am delighted to support the inclusion of certain targeted tax incentives that will help promote the next generation of clean coal technologies. I have been working on these issues for more than 6 years and am delighted that the Congress has recognized their value. This would include, for the first time, \$1.3 billion to help fund the deployment of the "next generation" of powerplants, including integrated gasification combined cycle and advanced combustion-based powerplants. There is also \$350 million for a new program to accelerate the use of coal and other domestic resources at industrial gasification facilities. I note that several important coal research, development, and demonstration programs, especially the clean coal technology demonstration program, have been reauthorized and improved upon in this conference report.

This legislation makes many promises to the country on energy policy. It makes promises to the men and women who pull the coal from the ground and to those who are finding ways to use that coal more cleanly and more efficiently. To make good on those promises, the administration must be willing to put financial support behind these initiatives. Will this administration do that? Is the President going to request the funding required in his budget to make the clean coal and other important energy programs a reality? In the end, the President will likely have a Rose Garden ceremony and press releases touting its accomplishments. But, given this administration's track record, is this energy bill simply a soapbox to stand on?

The final legislation before us is only a way station on a long journey and more work remains ahead. This bill is not the whole answer. It is a start, and I am committed to continuing to work toward that goal. I want to thank Senators DOMENICI and BINGAMAN for their continued diligence and hard work in

this endeavor. I applaud their efforts to ensure that the consideration of this legislation was open and bipartisan from start to finish. I will vote to support H.R. 6, the Energy Policy Act of 2005.

TAX INCENTIVES FOR COMMERCIAL BUILDINGS

Ms. SNOWE. Mr. President, I want to thank you for your dedicated work in defending the Senate-passed Energy bill language in conference, particularly concerning the energy efficiency tax incentives. For the first time, there will be energy efficiency tax incentives for commercial buildings for each of the three energy-using systems of the building—the envelope, the heating, cooling and water heating system, and lighting. Each is eligible for one-third of the \$1.80 per square foot tax incentive if it meets its share of the whole-building savings goal. This will apply to buildings that cut energy use by 50 percent, an ambitious but very important target as buildings account for 35 percent of our Nation's energy usage, and commercial buildings are a large part of that percentage.

My concern is that, because the eligibility period was cut back from the end of 2010 to just 2 years, this shorter window of effectiveness could undercut the program, since the time it takes to design and construct these large buildings and skyscrapers could take longer than the 2 years of eligibility. This is especially a concern as the incentives for commercial buildings is one of the fastest ways in the entire Energy bill that we can cut down the Nation's energy usage in the short term.

Mr. GRASSLEY. We are committed to this as the correct policy for large scale commercial projects. In addition, we are committed to seeing energy-efficient skyscrapers in the sky and recognize that these types of projects take years to design and build. We will continue to work with you to make this a long-term policy of the Tax Code.

Ms. SNOWE. Again, your assistance is greatly appreciated and I look forward to working with you on this matter in the Finance Committee in the coming months.

CLARIFICATIONS RELATING TO THE SECTION 29(C)(1)(C)

Mr. SANTORUM. Mr. President, I wish to confirm that certain language in the Conference Report to the Energy bill, with respect to the Internal Revenue Service stopping the issuance of private letter rulings and other taxpayer-specific guidance regarding the section 29 credit, actually refers to a solid fuel produced from coal and "coal waste sludge," a waste product composed of tar decanter sludge and other byproducts of the coking process. This fuel is commonly referred to as "steel industry fuel" because it is a superior feedstock for the production of coke that is used by the domestic steel industry. Steel industry fuel provides significant energy benefits by recapturing the energy content of the coal waste sludge and significant environmental benefits because the Environmental Protection Agency classifies

coal waste sludge as a hazardous waste unless it is processed with coal into a solid fuel product. The conference report expresses the conferees' understanding and belief that the Internal Revenue Service should consider issuing such rulings and guidance on an expedited basis to those taxpayers who had pending ruling requests at the time the moratorium was implemented. I would like to confirm the understanding and belief of the conferees that this language in the conference report actually refers to steel industry fuel and the requests for private letter rulings that the producers of steel industry fuel submitted in Fall 2000.

Mr. GRASSLEY. Mr. President, Yes, the distinguished Senator is correct. The conferees understand that there are requests for private letter rulings with respect to the process the Senator from Pennsylvania has described. Moreover, these requests were submitted in Fall 2000. The conferees expect that the Internal Revenue Service would consider issuing these rulings immediately, with due diligence, and without delay.

Mr. SANTORUM. I would also like to ask the distinguished Chairman of the Committee on Finance to confirm that steel industry fuel is a "qualified fuel" that is eligible for the section 29 non-conventional fuel tax credit through 2007 when one, the production facility was placed in service after 1992 and before July 1, 1998, pursuant to a binding written contract—including a supply or service contract for the processing of coal waste sludge—and, two, the steel industry fuel is sold to an unrelated party.

Mr. GRASSLEY. The Senator from Pennsylvania raises an important and time-sensitive question. When we considered the section 29 changes, the conferees were aware of the process described by the Senator. As the senior conferee for the Committee on Finance, I urge the Internal Revenue Service to consider that process as a qualified fuel that is eligible for the section 29 credit under such circumstances.

Mr. SANTORUM. I thank the distinguished chairman for these clarifications.

CLARIFYING SECTION 703 OF THE ENERGY POLICY ACT

Mr. DORGAN. Mr. Chairman, can I ask you to clarify something regarding Section 703? It is my understanding that by creating an alternative compliance mechanism that essentially we are creating a system that will allow more technologies to receive credit under the EPAct program without specifically naming them.

Mr. DOMENICI. That is correct.

Mr. DORGAN. So, for instance, neighborhood electric vehicles or low speed electric vehicles would now qualify under this program even though they are not specifically named?

Mr. DOMENICI. That is correct.

Mr. DORGAN. I thank the chairman and yield the floor.

FOREIGN UTILITY—SECTION 203

Mr. BINGAMAN. Mr. President, I would like to engage the chairman of the Energy and Natural Resources Committee—Senator DOMENICI—in a colloquy.

Mr. DOMENICI. Certainly.

Mr. BINGAMAN. Mr. President, it has come to my attention that section 1289 of the Domenici Energy Policy Act of 2005 could be interpreted as requiring FERC approval of certain foreign transactions wholly outside of the United States.

I am a strong supporter of section 1289 because I believe it is vital, especially since we are repealing the Public Utility Holding Company Act, that FERC be given the authority it needs to protect U.S. consumers. In my opinion, section 1289 gives FERC the appropriate authority to ensure that utility mergers and acquisitions do not adversely impact consumers. I also think it is appropriate for FERC to be able to ensure that retail customers in the United States do not subsidize foreign acquisitions.

However, Section 1289 could also be interpreted as requiring FERC approval of a holding company's acquisition of a foreign utility where the holding company has no retail customers in this country. A company that has a subsidiary that simply owns generation assets in the United States for wholesale electric sales is also defined as a holding company. As a result, that holding company's acquisition of an electric utility company operating entirely overseas could be interpreted as being subject to FERC's purview as a result of section 1289 of the bill we are considering today.

Subjecting foreign utility acquisitions by holding companies without any U.S. retail customers to FERC oversight could potentially have a chilling effect on investment here in the United States. At a time that we are trying to encourage investment in U.S. generation, we may be dissuading investments coming into the United States if a foreign-based holding company believes its next transaction in Great Britain is going to be subject to a FERC merger review proceeding. Moreover, the "public interest" test present in section 203 of the Federal Power Act does not readily fit the situation present with respect to foreign transactions.

I note that section 1289 does give FERC the authority to, by rulemaking, identify types of transactions that will receive expedited Commission review. I certainly believe that the acquisition of a foreign utility company by a holding company with no retail customers in the United States should fall in that category. Other categories of foreign transactions that could possibly be interpreted as being covered by section 1289 also may fall into this category.

Mr. DOMENICI. Mr. President, I agree with my colleague—Senator BINGAMAN—that FERC, if it determines that certain foreign transactions are

covered by the language of section 1289, should provide expedited review and approval to the acquisition of a foreign utility by a holding company that has no retail customers in the United States and other transactions that raise no significant U.S. consumer issues. These types of transactions don't require FERC's scrutiny in order to ensure that American consumers are adequately protected.

Mr. BINGAMAN. I thank my colleague.

Mr. BAUCUS. Mr. President, for 4 years, Congress has failed to enact a comprehensive Energy bill. Today, however, I am confident we can change that record.

The conference committee has assembled a well-balanced package. It is right for America. We should send it to the President's desk.

The House and the Senate gave the conferees a difficult task. The House and Senate Energy bills took two very different approaches to tax policy. The two bills had very little in common. Thus, we could not include everything in both bills without busting our budget.

Most of the provisions in the House bill promoted investment in traditional energy infrastructure. It favored pipelines, electricity lines, and oil and gas production.

In contrast, the Senate bill—which I helped develop with my good friend Senator GRASSLEY—advanced new technologies. It encouraged conservation efforts, improved energy efficiency, and expanded use of alternative fuels.

Conference negotiations were hard fought. We made some tough decisions.

But overall, the process was very positive. We kept within our budget, and we worked with a spirit of compromise and cooperation.

The energy tax incentives that the conference has recommended take an evenhanded approach to an array of promising technologies.

For example, the bill provides a uniform period for claiming production tax credits under section 45 of the Tax Code. This encourages production of electricity from all sources of renewable energy.

The bill recognizes the value of coal and other traditional energy sources to our economy. It provides investment tax credits for clean-burning coal facilities and projects. It provides substantial tax incentives to facilitate much needed expansion of refinery capacity. And it promotes expansion of American energy delivery systems.

The bill recognizes the need for a diverse energy portfolio, it fosters energy production from wind or coal in Montana to geothermal sources in California, and it will help create jobs by promoting domestic energy production.

The bill also rewards energy conservation and efficiency. It includes incentives for energy-efficient homes, alternative fuel vehicles, and development of fuel cell technology. These incentives are environmentally responsible they reduce pollution, and they help improve people's health.

These energy tax incentives are good for America. They will promote the delivery of reliable, affordable energy to consumers. They will help to create jobs through domestic energy production, and they make meaningful progress toward energy independence.

I am proud of the bipartisan effort that produced the conference agreement. I encourage my colleagues to support this important legislation.

Mr. CONRAD. Mr. President, I rise today to support the Energy bill conference report.

For many years, I have supported passage of a comprehensive national energy policy. Such a policy is necessary to reduce our increasing dependence on foreign energy sources. A comprehensive energy policy will help lower energy prices in the long run. Furthermore, any far-reaching bill will move us toward newer technologies that will keep our economy growing strong while making us more energy independent.

Although not perfect, this energy bill moves us in the right direction. It will expand our electricity transmission system and make it more reliable. The bill contains incentives for renewable energy, including the renewable energy production tax credit that I helped include. It will also spur an increase in the production and use of domestic biofuels such as ethanol and biodiesel. Because of this bill, our coal-burning plants will improve their efficiency and emit less pollution. Finally, the bill provides needed incentives to increase natural gas infrastructure, measures that will lead to lower prices for natural gas consumers in the long run.

Equally important, this bill benefits North Dakota for a number of reasons. The transmission incentives will enable my State's power producers to export electricity to distant markets. In this way, transmission incentives benefit the lignite and wind energy sectors in my State. The clean coal production incentives will make it easier to build advanced clean coal powerplants. The inclusion of the wind energy production tax credit will help North Dakota realize its potential to be the biggest producer of wind energy in the country. The Renewable Fuels Standard and tax incentives for ethanol and biodiesel will aid my State's farm economy, create more jobs, and reduce our dependence on foreign oil. In addition, the bill will assist my State in developing exciting new technologies, such as coal-to-liquid fuel plants.

I believe we still have a lot of work to do in order to make our Nation less dependent on foreign energy. However, this bill takes positive steps to address our energy needs. As I just mentioned,

this bill will provide significant benefits to my State.

For these reasons, I support the conference report.

Mr. CORZINE. Mr. President, I thank Senator SHELBY and Senator SARBANES for their hard work on H.R. 3, the Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2005 (SAFETEA). I know how much time, effort and energy went into completing that bill and I commend the chairman and ranking member. I especially appreciate their willingness to work with me to get language included in the bill in support of a full funding grant agreement for the New Jersey Trans-Hudson Midtown Corridor.

The New Jersey Trans-Hudson Midtown Corridor project entails construction of a 5-mile commuter rail extension from Secaucus, NJ to a new station in midtown Manhattan. The centerpiece of the project is a new trans-Hudson rail tunnel. This project will benefit transit riders from the New York and New Jersey region and will relieve congestion on the existing tunnels for intercity rail riders of the Northeast corridor, the Nation's busiest passenger railroad. A recent economic impact analysis indicates that the entire project will create 44,000 new jobs and increase gross regional product by \$10 billion. The project's estimated cost is approximately \$5 billion.

The Federal contribution would be matched by comparable local contributions from the State of New Jersey and the Port Authority of New York and New Jersey. New York's Governor Pataki, who along with New Jersey's Governor Codey controls the Port Authority governance, recently declared his support of this project—bolstering prospects for future funding from the Port Authority for local share. In addition, the State of New Jersey will soon be reauthorizing its transportation trust fund, which will provide New Jersey with the funding capacity for its own contribution to the project.

Currently, the project is undergoing environmental review, which should be completed in 2006. It is expected that preliminary engineering will start in fall 2005 and construction will begin in 2007.

The language in the SAFETEA bill will be a significant boost to this project. I would like to take a moment to clarify the intent of a couple of points in that provision in the bill. First of all, it is the intent of the language to include the funding expended for the New Jersey Transit river line and the bi-level railroad cars New Jersey Transit purchased for its lines as part of the non-Federal contribution for the New Jersey Trans-Hudson Midtown Corridor project.

Second, the language says that the Secretary of Transportation must give "strong consideration" to the Trans-Hudson Midtown Corridor project when it comes time to awarding a full funding grant agreement, since it will be a crucial link for the Northeast corridor

and benefit the region's mobility, security, economy and environment. The term "strong consideration" indicates that the New Jersey Trans-Hudson Midtown Corridor project is a high priority for the Secretary and encourages the Secretary to award a full funding grant agreement provided it meets the FTA's New Starts criteria. I appreciate the opportunity to clarify these important points, and I look forward to further progress on the tunnel project.

Mr. MCCAIN. Mr. President, I am afraid that the heralded passage of this energy bill against years of failure by the Congress to legislate a comprehensive energy policy has created a false sense of accomplishment in Washington today. As my colleagues are well aware, oil prices are hovering near the infamous \$60 per barrel mark; the greenhouse effect is beginning to have a substantial measurable impact on the global climate; and American families are being gouged at the pump while their tax dollars are carelessly spent on Federal subsidies for big oil and gas companies. As leaders, we cannot claim that we have successfully addressed these real-life challenges by enacting this latest incarnation of special interest influence in policymaking.

I do want to acknowledge the work of the Senate conferees for keeping out a few of the most objectionable provisions that prevented passage of the bill during the last Congress, particularly the MTBE liability waiver and the proposed drilling in ANWR. They took the right action in preventing the inclusion of those provisions. Unfortunately, after all the time and effort spent on this issue during the past several years, when it comes to solving America's pressing energy problems, this bill simply does not go far enough. It will not reduce our dependence on foreign oil, it won't assure the growing threat of global warming is addressed in a meaningful way, and it won't effectively reduce the price of gasoline at the pump.

The estimated cost of this energy bill has ballooned far beyond the original \$6.7 billion in the President's proposal. The conference agreement provides an estimated \$14.5 billion in corporate subsidies and tax credits. And the tax package provides more than twice as many incentives to the oil, gas, coal and nuclear industries as it does to energy efficiency and renewable energy—a significant change from the Senate-passed bill.

Indeed, big oil, coal and gas companies seem to be disproportionately favored under this bill as most of the tax breaks going to traditional industries. Only about 36 percent of the estimated tax package would go to renewable energy and cleaner burning vehicles. Even then, some of the programs to promote renewable energy and alternative fuels are questionable. A loan guarantee program that would cover up to 80 percent of the cost of developing new energy technologies was scored at \$3.75 billion for the first 5 years. These

loans carry a 20- to 60-percent risk of default according to the CBO, and after the 5 years there are no limits on the amount of loans that can be guaranteed, thus leaving the taxpayer to cover the losses when such endeavors fail. Perhaps more alarming, the estimated costs of the bill are estimates at best, and don't take into account some of the hidden costs associated with program authorizations and future tax credit extensions.

And then there is the ambiguous realm of alternative fuels for vehicles. Rather than addressing the gas mileage interests of consumers, this energy conference report would boost ethanol production by requiring 7.5 billion gallons of the corn-derived fuel be added to the domestic gasoline supply by 2012. This is double the current ethanol mandate and while it will be a boon for the ethanol producers, it will have a negligible effect on oil imports. While I fully recognize and support efforts to promote clean energy sources, the costs also need to be weighed against any presumed benefits. And at this juncture, the beneficiaries are still the producers, not the consumers and not the environment.

Let me mention some of the more "interesting" provisions in the conference report:

Section 134. Energy Efficiency Public Information Initiative. Authorizes a total of \$400 million, \$90 million for Fiscal Years 2006 through 2010, for the Secretary of Energy to carry out a national consumer information program to encourage energy efficiency through disseminating information to the American public addressing, among other things, the importance of proper tire maintenance. I am fully aware that it is important to rotate your tires, and to take other actions to preserve energy, but do we really need to spend almost half a billion on such a campaign?

Section 138. Intermittent Escalator Study. Requires the GSA to study the advantages and disadvantages of employing intermittent escalators in the United States. I can't imagine many of my colleagues would support removing "Senators Only" features in the Capitol Complex and be content to wait for an elevator to intermittently show up, but maybe the rest of the American public is more patient.

Section 207. Installation of Photovoltaic System. Authorizes \$20 million for the GSA to install a photovoltaic system, as set forth in the Sun Wall Design Project, for the Department of Energy headquarters building. Of all the sunny places in this country where solar power is viable, the Energy Department Building in DC would not be the first place that comes to mind.

Section 208. Sugar Cane Ethanol Program. Establishes a new \$36 million program under EPA that is limited to sugar producers in the States of Florida, Louisiana, Texas and Hawaii for 3 years.

Section 224. Royalties and Near-Term Production Incentives. Under this sec-

tion, all monies received by the U.S. on all lands except for the State of Alaska, from sales, bonuses, rentals and royalties on leased Federal lands or geothermal resources shall be paid into the Treasury of the U.S. and a percentage of such funding is then partially redistributed to the State within the boundaries of which the revenues were generated. But in the case of Alaska, seems that they will get to keep all of the monies generated.

Section 237. Intermountain West Geothermal Consortium. Establishes an Intermountain West Geothermal Consortium that focuses on building collaborative efforts among universities in the State of Idaho, other regional universities, State agencies and the Idaho National Laboratory, must be hosted and managed by Boise State University, and have a directed appointment by the Boise State University. Why do we need a federal law to promote collaboration at Boise State?

Section 244. Alaska State Jurisdiction Over Small Hydroelectric Projects. Amends the Federal Power Act with respect to certain authorities for the State of Alaska, allowing the State to completely ignore any recommendations received from the National Marine Fisheries Service, the U.S. Fish and Wildlife Service, and State fish and wildlife agencies concerning conditions for the protection, mitigation, and enhancement of fish and wildlife in constructing small hydroelectric projects.

Section 245. Flint Creek Hydroelectric Project, located in Granite and Deer Lodge Counties, Montana. The bill basically extends the project's permit for an additional 3 years. And, notwithstanding other laws and regulations regarding payment to the U.S. for the use of Federal lands, such payments surrounding this project would be specified in the bill. I can only assume this payment is less than what would otherwise be required.

Section 354. Enhanced Oil and Natural Gas Production Through Carbon Dioxide Injection. Establishes a \$3 million demonstration program solely for 10 projects in the Williston Basin in North Dakota and Montana and 1 project in the Cook Inlet Basin in Alaska.

Section 356. Denali Commission. Authorizes \$55 million annually for fiscal years 2006-2015 for a seven-member commission created in 1998 comprised entirely of Alaska interests to support Alaska interests. This funding would be used to carry out energy programs.

Section 365. Pilot Project to Improve Federal Permit Coordination. Establishes a pilot that only the States of Wyoming, Montana, Colorado, Utah, and New Mexico can participate in.

Section 412. Loan to Place Alaska Clean Coal Technology Facility in Service. This section authorizes a direct Federal loan for up to \$80 million for a plant near Healy, Alaska. One of the few protections under this section for the American taxpayer is extremely

lax. It states that prior to providing the loan, the Secretary determine that "there is a reasonable prospect that the borrower will repay the principal and interest on the loan." That sure doesn't sound like the type of stringent criteria and risk assessment that would be weighed by many lending institutions that I am aware of. And why does this particular facility merit a Federal loan over other clean energy technologies?

Section 416. Electron Scrubbing Demonstration. Directs the Secretary to use \$5 million to initiate, through the Chicago operations office, a project to demonstrate the viability of high-energy electron scrubbing technology on commercial-scale electrical generation using high-sulfur coal.

Section 628. Decommissioning Pilot Program. This section authorizes \$16 million for a pilot program to commission and decontaminate the sodium cooled fast breeder experimental test site reactor located in northwest Arkansas.

Section 755. Conserve by Bicycling Program. Provides \$6.2 million to establish a pilot program to be known as the "Conserve by Bicycling Program" and study the feasibility of converting motor vehicle trips to bicycle trips, including whether such factors make bicycle riding feasible: weather, land use and traffic patterns, the carrying capacity of bicycles and bicycle infrastructure. I find it difficult to support spending \$6.2 million to encourage Americans to ride bicycles when we are running a deficit of \$368 billion this year and a 10-year projected deficit of \$1.35 trillion, according to the Congressional Budget Office.

Section 756. Reduction of Engine Idling. Authorizes \$139.5 million to study the environmental impact of engine idling from heavy-duty vehicles and locomotives at truck stops, ports of entry, rest areas and private terminals. Is there any doubt that engine idling may be contributing to air quality problems? Do we need to expend almost \$140 million on such a study? It might be cheaper to pay the truckers and engineers to shut off their engines.

Section 955. Department of Energy Civilian Nuclear Infrastructure and Facilities. Requires the Secretary to develop a comprehensive plan for facilities at the Idaho National Laboratory to avoid duplicative efforts at other national laboratories and establish or consider plans to establish or convert various areas into user facilities.

Section 980. Spallation Neutron Source. Requires the Secretary develop an operational plan for the Oak Ridge National Laboratory in Oak Ridge, TN, to ensure the facility is employed to its full capability. It further authorizes the Spallation Neutron Source Project at Oak Ridge at \$1,411,700,000 for total project costs.

Section 997. Arctic Engineering Research Center. It directs the Secretary of Transportation to provide annual grants, worth \$18 million total, to "a

university research center to be headquartered in Fairbanks”—that must be the University of Alaska-Fairbanks according to its Web site—for a research center to research improved performance of roads, bridges, residential, commercial, and industrial structures in the Arctic region.

Section 1511. Renewable Fuel. The section authorizes a total of \$12 million—\$4 million for 3 years—for a resource center to further develop bio-conversion technology at the Center for Biomass-Based Energy at the Mississippi State University and the Oklahoma State University.

Section 1811. Coal Bed Methane Study. Directs the DOE and EPA to collaborate with the NAS on a study on the effect of coalbed natural gas production on surface and ground water aquifers in Montana, Wyoming, Colorado, New Mexico, North Dakota, and Utah.

Now that we know a little about some of the provisions contained in the conference agreement, let's talk about one very important issue that is not addressed—an issue of worldwide significance: global warming.

Earlier this month, the leaders of the G8 nations met and issued an agreement with respect to climate change. The agreement among the G8 nation states that: “We will act with resolve and urgency now to meet our shared and multiple objectives of reducing greenhouse gas emissions [.]”

This agreement followed the joint statement that was issued in June in which the U.S. National Academy of Sciences and national academies from other G8 countries, along with those of Brazil, China, and India, which concluded that: “The scientific understanding of climate change is now sufficiently clear to justify nations taking prompt action. It is vital that all nations identify cost-effective steps that they can take now, to contribute to substantial and long-term reduction in net global greenhouse gas emissions.”

It is very disappointing that the climate change provisions in the conference report fail to address the necessary commitment for taking urgent actions and making substantial reductions in greenhouse gas emissions.

The conference report requires the Department of Energy to develop greenhouse gas intensity technologies and strategies. Such requirements are a waste of time and effort as we already know that using the greenhouse gas intensity does not work. How do we know it doesn't work? We know because the Department of Energy has shown us and because climate change science tells us that the climate system does not respond to greenhouse gas intensity, but rather to greenhouse gas concentration levels in the atmosphere.

Recently, the Energy Information Administration at the Department of Energy released a statement indicating that preliminary data for the year 2004

revealed that energy-related carbon emission intensity fell by 2.6 percent, while energy-related carbon dioxide emissions grew by 1.7 percent. This is an early reality check for those who argue that we can control greenhouse gas emissions by only controlling carbon emission intensity.

Again this clearly shows how our efforts to address climate change are misfocused and without substance. If we continue down this path, the \$5 billion per year that we are currently investing in the climate change science and technology programs will not provide the return on investments that the American people deserve.

Furthermore, if you look at any credible scientific report on climate change, it speaks of the impact of greenhouse gases on the climate system, not the impact of greenhouse gas intensity. In all the hearings that we have held in the Commerce, Science, and Transportation Committee over the past few years, I don't recall a single scientist indicating that if we control our greenhouse gas intensity, then we can mitigate the impacts of climate change.

If we are to address climate change consistent with the sense-of-the-Senate resolution passed by this body just over a month ago, then we must pursue solutions that will truly have an impact on the climate system, not those that are no more than “smoke and mirrors.” Of course, the conferees failed to agree to even include the modest resolution in the final conference agreement.

If it weren't for the pressing need to show the American public that we are acting in at least some way to address our Nation's energy problems—action that every person is reminded of every time they pay yet a higher price at the pump—I doubt many of my colleagues would be so rushed to pass this bill. Quite frankly, it seems as though the Congress is grasping at straws to address our energy quandary, unwilling or unable to use the foresight necessary to plan for a future America that is less reliant on foreign oil, cleaner under renewable energy generation, or leading in cutting-edge energy efficiency technology. And in our failure, the American people will be disappointed.

Ms. COLLINS. Mr. President, I rise today in support of the Energy bill conference agreement. The final version of this legislation is imperfect, but it takes important steps forward in addressing some of this Nation's energy problems. This bill will strengthen electric reliability, further develop our renewable energy resources, and improve energy efficiency.

I would like to begin by thanking Chairman DOMENICI and ranking member BINGAMAN for their long and arduous work on this subject. We have now been working on comprehensive energy legislation for nearly 5 years, under three different Congresses and three different Energy Committee chairmen.

I know it has been a very difficult path. I express my sincere appreciation to Chairman DOMENICI for his dedication, leadership, and willingness to accommodate a great diversity of views on the subject of energy policy.

I am very pleased that the Energy bill provides nearly \$3 billion for wind, biomass, and other renewable energy sources. This credit could help a major wind energy development project move forward in Aroostook County and will help Maine's forest products industry by providing an important revenue stream for waste forest products. Developing Maine's wind and biomass resources creates jobs in rural areas, provides additional revenue to farmers and struggling industries, reduces greenhouse gas emissions, and helps diversify our energy supply. While I am disappointed that the bill does not contain the provision which I authored, along with Senator BINGAMAN, to require that 10 percent of our electricity come from renewable energy sources by the year 2020, the bill nevertheless makes important strides forward in developing our renewable energy resources.

This bill will also help improve our electricity reliability by creating new standards for the national electric transmission grid and creating incentives to spur the creation of a stronger and more robust grid. This bill also provides for improved market transparency, the first ever broad prohibition on market manipulation and filing false information, and new consumer protections for utility customers.

I am also pleased by a number of provisions included in the bill to help spur greater energy efficiency. Consumers will be able to take advantage of tax credits for hybrid cars, solar water heaters, and energy efficient improvements to existing homes. Additional tax credits will spur energy-efficient appliances and alternative fueled vehicles, which will not only reduce smog and greenhouse gas emissions but also reduce oil imports. In addition, a number of new Federal programs and 15 new product standards will reduce natural gas use in 2020 by 1.1 trillion cubic feet, and reduce peak electric demand by an amount equivalent to that produced by 85 power plants. All of these programs will not only help protect the environment, but also help consumers save money on their energy bills.

Several other provisions bear mentioning. I am pleased that the final legislation retains the amendment which Senator LEVIN and I offered regarding the Strategic Petroleum Reserve. This amendment requires the Department of Energy to develop procedures for using the Strategic Petroleum Reserve in such a way as to reduce the impact on taxpayers and energy consumers, while maximizing oil supplies and improving U.S. energy security. This amendment will help mitigate the impact of the Department of Energy's misguided policies on the Nation's gasoline prices.

I am also pleased that the bill includes language regarding ISO New

England's misguided Locational Installed Capacity plan, also known as LICAP. This language requires the Federal Energy Regulatory Commission to very carefully weigh the concerns of Maine and other New England States regarding this proposal. I am very concerned that the LICAP proposal would unnecessarily raise electricity rates in Maine, and I urge FERC to consider this issue very carefully.

While I believe the bill makes important progress in some areas, I am extremely concerned that this bill fails to stop our growing and increasingly dangerous reliance on foreign oil. Regretfully, a provision requiring that we save 1 million barrels of oil per day by 2015 was dropped from the bill. This provision, which I co-authored, was included in the Senate-passed bill, but removed by the House. In addition, I am disappointed that the bill does not require any increase in fuel economy standards for automobiles. Although the energy efficiency provisions for hybrid automobiles and alternative fuel vehicles are important steps forward, they are not enough. Four years ago I released a report predicting that crude oil prices would hit \$60 per barrel by the year 2010 unless we took aggressive action to increase our energy efficiency and reduce our reliance on foreign oil. Without greater energy efficiency measures, I am concerned that prices are likely to go even higher.

I am also concerned by a provision in the bill that would allow for an inventory of offshore oil and gas resources on the Outer Continental Shelf, OCS. I am strongly opposed to oil exploration on restricted areas of the OCS, and I believe this inventory is pointless since this Congress has no intention of allowing drilling in these areas.

I would note that this bill is much improved over the 2003 conference report which I could not in good conscience support. First, I am pleased that this legislation does not include a very harmful liability waiver for the manufacturers of MTBE. MTBE is a noxious chemical which has polluted drinking water supplies in Maine and many other States. I saw no justification for allowing the manufacturers to be let off the hook in terms of cleaning up this chemical, and I am grateful to Chairman DOMENICI and Ranking Member BINGAMAN for refusing to give in to those advocating for the waiver.

I am also very pleased with the improvements to the electricity title in this bill. The electricity provisions in this bill are good for the Northeast and have the potential to promote competitive markets which are more efficient, more reliable, and lower priced than we have now. I am pleased that the Carper-Collins provision to promote combined heat and power was retained in the bill.

While the legislation before us does not address our dangerous reliance on foreign oil, it nevertheless takes important steps to increase our use of renewable energy, improve energy effi-

ciency, and strengthen our electricity grid. While I am disappointed at some of the things that were included in the bill as well as many things that were not included, I nevertheless believe that the bill is a step in the right direction. Given our extremely high energy prices and an even more dire energy crisis looming just over the horizon, I believe we simply cannot afford to block needed improvements out of fear that they do not go far enough, and I therefore intend to vote in favor of this legislation. However, I ask my colleagues to consider this legislation as a first step, and to again address these issues next year and the year after, until we finally begin to reduce our reliance on foreign oil and provide a secure energy future for the United States.

Mr. BAUCUS. Mr. President, after 4 years, the Senate is on the verge of passing a comprehensive Energy bill. This important legislation will lessen America's reliance on foreign sources of energy, boost renewable resources, and provide reliable energy for the nation.

Putting this legislation together and keeping it within budget constraints took hard work and perseverance. First, I thank the chairman and ranking member of the Energy and Natural Resources Committee, Senator DOMENICI and Senator BINGAMAN, respectively. They provided excellent leadership, and I know their staff stayed up many a sleepless night. They played an important role developing this bill.

I also thank my good friend Senator GRASSLEY, the Chairman of the Finance Committee, for his commitment to taking a balanced approach to energy tax policy.

Let me take a moment and speak about the hard work of the Finance Committee staff. The House and Senate bills took two very different approaches to tax policy. Conference negotiations were hard fought. We made some tough decisions. But we got it done within budget limits largely because we worked with a spirit of compromise and cooperation.

I also thank some staff members in particular. I appreciate the cooperation we received from the Republican staff, especially Kolan Davis, Mark Prater, Elizabeth Paris, Christy Mistr, and Nick Wyatt.

I thank the staff of the Joint Committee on Taxation and Senate Legislative Counsel for their service.

I thank Chairman BILL THOMAS and his staff for their hard work, cooperation and continuing willingness to work with us through the difficult negotiations that produced this important legislation.

I also thank my staff for their tireless effort and dedication, including Russ Sullivan, Patrick Heck, Bill Dauster, Ryan Abraham, and Wendy Carey. I especially want to thank Matt Jones. He is the tax counsel on our staff who has worked for years on the tax legislation in this bill. His hard

work and perseverance on this legislation went above and beyond the call of duty. I owe him a deep debt of gratitude. I also thank our dedicated fellows, Mary Baker, Jorlie Cruz, Cuong Huynh, Richard Litsey, Stuart Sirkin, and Brian Townsend.

Finally, I thank our hard-working interns: Rob Grayson, Jacob Kuipers, Heather O'Loughlin, Andrea Porter, Ashley Sparano, Julie Straus, Danny Shervin, Katherine Bitz, Drew Blewett, Adam Elkington, Julie Golder, and Paul Turner.

This legislation was a team effort that really paid off.

I yield the floor.

Mrs. LINCOLN. Mr. President, I rise to announce my support for the Energy Policy Act of 2005. I want to thank Chairmen Grassley and Domenici and Senators Baucus and Bingaman for working with me to include renewable energy and energy efficiency provisions in the bill that are important to my home State of Arkansas.

Some may say this bill is not perfect, but I believe it is a step forward toward reducing our dependence on foreign oil and increasing the use of renewable resources in this country. This bill makes an effort to address energy concerns in every sector of this industry. In Arkansas, we have investor-owned utilities and co-operatives. This bill will help both of these providers serve their customers in a more efficient and reliable manner.

And while this bill may not go as far as some would like in the direction of renewable energy, there are many provisions in this package which will help the United States begin the long process of eliminating our dependence on foreign oil. I look forward to the further growth and development of the biodiesel industry that will be spurred by the extension of the production tax credit provided in the bill that I have fought for during my time in the Senate.

Another provision of which I am particularly proud relates to the cleanup of the Southwest Experimental Fast Oxide Reactor, a decommissioned nuclear reactor near the community of Strickler, AR, in the northwest corner of my State. The site is contaminated with residual radiation, liquid sodium, lead, asbestos, mercury, PCBs, and other environmental contaminants and explosive chemicals. The Federal Government helped create these contaminants and should pay to help clean them up. This is great news for northwest Arkansas, because this site has threatened public health and the environment there for too long.

Finally, I would like to thank the staff on both the Finance and Energy Committee, majority and minority, for all of their help in crafting this bill. Elizabeth Paris and Matt Jones have been patient and helpful with any idea or request I have come to them with. Sam Fowler and Lisa Epifani have been equally accessible when I had questions or concerns on the nontax portion of

the bill. I would also like to take this opportunity to thank Todd Wooten of my staff who has done an incredible job of helping ensure my priorities for Arkansas were included in the final bill. This body would be nothing without the tireless work of our staff, and I wanted to make sure they knew how much I appreciate their hard work.

In conclusion, our current global situation shows us how important it is that we take steps to reduce our dependence on foreign oil. We all know this bill is not a comprehensive solution, but a step in the right direction. We must continue to look toward more useful and progressive technology that brings us to our goal.

Much more work needs to be done if we ever expect this country to lose its dependence on fossil fuel and foreign sources of energy, and I urge my colleagues to continue to work hard until we achieve this goal.

Mr. BUNNING. Mr. President, I rise today to talk about the Energy bill conference report.

I have spoken on this floor many times before on Energy bills. I hope the bill before us is the last one I come to the floor to speak on for a long time.

While not perfect, this is a good bipartisan bill.

I want to thank Chairmen DOMENICI and GRASSLEY and Ranking Members BINGAMAN and BAUCUS for working hard in a bipartisan manner to produce the bill before us.

This Energy bill strikes a balance between conservation and production.

And while passing an Energy bill might not help energy prices in the short term, it will make a difference over the long term by affecting how much our energy costs increase. This bill's increased domestic energy production, coupled with increased conservation provisions, will slow the astronomical price increases we have seen lately.

Without a new national Energy policy, though, there is not much we can do about the rising energy prices.

Many oil producers are working at full capacity.

And with China and India starting to increase their demands for oil, the world's oil supply will continue to decrease while prices continue to increase.

This means that we cannot just try and conserve our way out of any kind of energy problem.

We have to reduce our reliance on foreign oil and do a better job of taking care of our own energy needs.

The bill contains some good policy provisions.

It includes electricity provisions that are a good start to help update our electricity grid.

America has outgrown its electricity system and some changes need to be made to it.

One of the provisions included in the bill is PUCHA repeal, which will go a long way in helping our electricity system meet increasing demands.

The bill also makes strides to increase the reliability of the electricity grid.

We also desperately need new transmission lines built, and I hope that the provisions in this bill will ensure that this happens.

It also contains an incentives title which will encourage the design and deployment of innovative technology to increase energy supply and also protect the environment. These incentives cover projects such as clean coal, electric transmission and generation, and fuel efficient vehicles.

I am glad that the Senate Energy bill contains clean coal provisions which I wrote to help increase domestic energy production while also improving environmental protection.

Coal is an important part of our energy plans. It's cheap and plentiful, and we don't have to go far to get it.

For my home State, this means more jobs and a cleaner place to live. Clean coal technology is estimated to create 62,000 jobs nationwide and cut emissions from coal drastically.

The Energy bill encourages research and development of clean coal technology by authorizing over \$1 billion for the Department of Energy to conduct programs to advance new technology that will significantly reduce emissions and increase efficiency of turning coal into electricity.

Almost \$2 billion will be used for the clean coal power initiative, where the Department of Energy will work with industry to advance efficiency, environmental performance, and cost competitiveness of new clean coal technologies.

And \$3 billion will be used to help coal companies comply with emission regulations by providing funding for pollution control equipment.

The energy tax package also contains tax credits for companies to implement clean coal technology.

The bill provides \$1.6 billion in tax credits for investment in clean coal facilities. It also provides over \$1 billion in tax credits for amortization of pollution control equipment to help clean up the emission from existing coal facilities.

Coal plays an important role in our economy, providing over 50 percent of the energy needed for our Nation's energy.

The 21st economy is going to require increased amounts of reliable, clean, and affordable electricity to keep our nation running.

With research advances, we have the know-how to better balance conservation with the need for increased production.

I think this bill makes a good start in ensuring that coal remains a viable energy source that can provide cheap power to consumers.

And the other tax provisions from the Finance Committee will do a good job to promote conservation and energy efficiency further by encouraging the use of cleaner burning fuels.

I am pleased the bill contains ethanol and biodiesel tax credits. These expanded tax credits will further encourage the use of these alternative fuels to help increase domestic production and lessen our dependence on foreign oil. This also is good for farmers and is good for jobs.

We have deliberated and discussed for far too long the need for America to follow a sensible, long-term energy strategy.

I am glad the Senate acted to pass an Energy bill.

This is good for our environment, economy, and national security.

Thank you, Mr. President.

Mrs. BOXER. Mr. President, I will vote against this energy bill because it does not do enough to reduce our dependence on foreign oil through the promotion of alternative forms of energy or by encouraging energy efficiency.

I was very disappointed that the conference committee eliminated the Senate's renewable portfolio standard, under which utilities would have provided 10 percent of their total sales from renewable resources by 2020. In addition, the conference also eliminated the Senate provision that called on the President to find ways to reduce oil use by 1 million barrels per day by 2025, as well as the provision promoting hybrids for use in Federal, State, and other vehicle fleets.

I am also very concerned about an authorization for an inventory of energy resources in America's Outer Continental Shelf, which is damaging in itself and may lead to future oil and gas development in some coastal areas.

Overall, this bill is very imbalanced. The bill provides \$5.7 billion in tax incentives over 10 years for the fossil fuel industry and \$1.5 billion in subsidies and tax breaks for the nuclear industry. Compare this to tax incentives for renewable electricity, alternative vehicles and fuels, energy efficiency, and energy conservation, which were cut from \$11.4 billion in the Senate bill to \$5.8 billion in the final bill.

With all of these bad provisions, I am pleased that a few good provisions survived, such as my amendment calling on the Federal Energy Regulatory Commission to conclude action on energy crisis refunds by the end of the year or report to Congress explaining what it has done and specifying a timetable for the rest of their process.

I am also pleased that this energy bill will exempt California from the proposed new ethanol mandate during the summer months, when ethanol usage in gasoline can increase air pollution, and that it included my original proposal to encourage the production of ethanol from agricultural waste.

Republicans removed many provisions from the Senate bill that would have put us on a more energy-efficient path, and unfortunately we were left with a bill that does not offer the sound and innovative policies we need to reduce our dependence on foreign

oil, protect the environment, and improve our energy and fuel efficiency.

Ms. SNOWE. I rise today not only to cast my support for the conference report to H.R. 6, an energy bill that touches on nearly every aspect of domestic energy production, consumption, and savings, but especially to compliment Energy and Natural Resources chair, Senator DOMENICI, for once again showing what a truly superb leader he is. He and Senator GRASSLEY, chair of the Finance Committee, have been successful in reaching bipartisan agreement on comprehensive energy legislation—something that we have not been able to do since 1992, even though we have actively attempted to do so in the last three Congresses.

I would have written a more ambitious bill that would have more aggressively reduced our Nation's dependence on foreign oil, but this is an improvement over the status quo. What this legislation does include is essential energy efficiency and conservation tax incentives that will make our Nation's energy policy more balanced. As a Nation, we must recognize that we must do more than just produce our way out of an energy crisis, we have an obligation to consume less as well.

For instance, by improving fuel economy standards of our cars and trucks, we could have saved our Nation 1 million barrels of oil a day, as Senator FEINSTEIN and I have attempted to do for these last several years. Also, by keeping Senator BINGAMAN's provisions for Climate Change and Renewable Portfolio Standards in the conference report, we would have had a much stronger bill to address our future energy, environmental, and economic needs. But this bipartisan energy legislation is a reflection of what was possible. These important issues will not go away, we will be addressing them another day—and in the not-too-distant-future, I will predict.

While the report came out of conference far from perfect, the question we need to ask ourselves at the end of the day is, Does the legislation begin to take the Nation forward for responsible energy policy to help decrease our dependence on foreign oil from the most volatile areas of the globe as we begin the 21st century? And this bill does take at least that small step forward, especially for provisions I believe in—greater energy efficiencies and energy from renewable sources that begin to wean the Nation off of its thirst for oil.

For instance, I am extremely pleased that I could secure \$1.7 billion through the energy efficiency and conservation provisions from my original bills, the Efficient Energy Through Certified Technologies and Electricity Reliability, or EFFECTER, Act of 2005. I would like to express thanks for assistance over the past 5 years in drafting these energy efficiency tax incentives to Dr. David B. Goldstein of NRDC, a 2002 MacArthur fellowship winner who has worked on energy efficiency and energy policy since the early 1970s, both domestically and internationally.

Also provided are tax incentives from the Lieberman-Snowe fuel cell bill that provide a 30-percent business energy credit for the purchase of qualified fuel cell power plants for businesses, along with a 10-percent credit for the purchase of stationary microturbine power plants. A fuel cell is a device that uses any hydrogen-rich fuel, such as natural gas, methane, or propane, to generate electricity and thermal energy through an electrochemical process. Since no combustion is involved, fuel cells produce almost no air pollution and reduce emissions of carbon dioxide, the major greenhouse gas blamed for climate change. The tax incentive will accelerate commercialization of a wide range of fuel cell technologies for a distributed source of power.

As a senior member of the Senate Finance Committee, I worked with Chairman GRASSLEY to also secure \$2.7 billion in alternative energy production tax credits in this energy legislation. Included for the first time is a tax credit for biomass, which is extremely important to those who work at our Maine biomass plants, which provide good paying jobs in rural areas all over Maine. In addition, the tax credit extension for wind power is essential for wind projects in Maine, for instance the one planned in Mars Hill. This legislation will decrease the project's costs by 30 percent.

Also included in H.R. 6 is the permanent authorization of the Northeast Home Heating Oil Reserve that was established in 2000. The NHOR holds 2 million barrels of emergency fuel stocks stored at commercial tank farms that would give Northeast consumers adequate supplies for approximately 10 days, the time required for ships to carry heating oil from the Gulf of Mexico to New York Harbor. The reserve is essential for cold winter States like Maine—especially at a time when fuel prices continue to be sky high. While we are in the midst of a very warm summer, our winters are never that far off, and this provision ensures that emergency fuel stocks are made available in times of need.

And speaking of cold weather, the conference report reauthorizes the Low Income Home Energy Assistance program, or LIHEAP, until 2007, and reauthorizes State weatherization grant and energy programs at \$2.1 billion through fiscal year 2008. I cannot emphasize strongly enough how important these programs are to my State of Maine where winters come early and can stay well past the start of spring.

There is an extension 5 years for my original legislation, the National Oilheat Research Act; NORA which expired in February.

Also, the conference report puts in place enforceable electricity reliability standards that were included in my EFFECTER Act and other bills that would further improvements in the electricity grid at a time that the surging demand continues to stress the Nation's power grid. One only needs to recall that in August 2003, a big Northeast blackout disrupted service to 50

million people, and 2 years earlier, soaring prices and isolated blackouts rolled across California.

One of the International Climate Change Taskforce, ICCT recommendations, for which I am a cochair with the Right Honorable Stephen Byers of the United Kingdom, called for incentives for Integrated Gasification Combined Cycle; IGCC, a process that allows CO₂ to be extracted for storage more easily and at less cost than from conventional coal-burning plants. Clean coal technology helps to address climate change by capturing CO₂ rather than allowing it to be released into the atmosphere and has immediate benefits health benefits in terms of reduced emissions of toxic pollutants that cause respiratory and cardiovascular illness. The bill provides a 20-percent credit for clean coal power plants for IGCC plants while other advanced clean-coal projects get the 15-percent credit.

There disappointments to me in this bill, most certainly, as they could affect my State. In particular was the vote loss that would have given States equal say on the siting of Liquefied Natural Gas, LNG, siting decisions, but the language in H.R. 6 has been enhanced to give the States a more consultative role, even though FERC still has exclusive jurisdiction. A pre-NEPA National Environmental Policy Act filing process is included in the bill so the FERC will have to work with States on problems before moving any projects forward. Also included is a cost-sharing provision calling for both the industry and communities to share the cost for emergency response plans. Originally, only the communities had to pay for these plans.

I will continue to work to ensure that States have greater authority over LNG siting decisions. I believe this is clearly a States rights issue—and given how contentious these decisions are, it only makes sense to have State input into the process. As I have said before, this is a Liquefied Natural Gas facility siting we are talking about, not a Wal-Mart.

Another issue I plan to actively work on with my colleagues from other coastal States is the deletion of a provision that calls for an inventory of oil reserves off the Outer Continental Shelf. I believe those of us from coastal States did everything in our power to strip this potentially environmentally dangerous provision out of the Energy bill. Our amendment during Senate consideration of the Energy bill—despite our best efforts—failed. We did everything we could to have this provision removed—we presented our case to our colleagues and had a fair up-or-down vote. It is a terrible policy that imperils our fragile coastal ecosystems and fisheries around Georges Bank, a veritable nursery for sea life.

Mr. Chairman, what we have here is a step forward as we begin the 21st century and great energy needs that will

have to be met, and we continue to craft national energy policy—we have only begun to do so with many steps ahead of us to take.

I thank the Chair.

Mr. GRASSLEY. Mr. President, today we have the opportunity to finish a very long journey in the quest to build a dynamic, comprehensive energy policy for the United States of America. I can say with pride that this Congress, through many trials and tribulations has now performed admirably in its duty to the American people. This is a balanced energy bill that focuses as much on the future as it does the present. We have the opportunity with the passage of this legislation to safely produce more energy from more sources and with more infrastructure security than ever before.

Among the many people whose hard work has made the difference, I must first thank the chairmen and ranking members of all the appropriating committees that have been involved in this process.

Credit must also go to all members of my staff, who spent many hours sifting through the nuts and bolts of this bill. Kolan Davis, Mark Prater, Elizabeth Paris, Christy Mistr, Kurt Kovarik, John Good, and Nick Wyatt showed great dedication to the tasks before them.

As is usually the case, the cooperation of Senator BAUCUS and his staff was imperative. I particularly want to thank Russ Sullivan, Patrick Heck, Bill Dauster, Kathy Ruffalo-Farnsworth, Matt Jones, and Ryan Abraham.

I also want to mention George K. Yin, the chief of staff of the Joint Committee on Taxation and his staff, especially the fuel fraud and energy team of Tom Barthold, John Navratil, Deirdre James, Roger Colinviaux, Allen Littman, Gray Fontenot, and Gary Bornholdt as well as the always invaluable assistance of Mark Mathiesen, Jim Fransen and Mark McGunagle of Senate legislative counsel.

This conference agreement is infused with the spirit of bipartisan and bicameral cooperation. It is my commitment that spirit will be influential to the entire ongoing legislative process.

Mr. FRIST. Mr. President, we are about to vote on final passage of the most comprehensive energy bill in decades.

After years of careful and patient negotiation, we have before us an energy plan that promises to make America safer and more secure, and our energy supply cleaner and more reliable.

It is a forward-looking plan. And it is a plan that will increase both our economic and national security.

Anyone who has been to the gas pump, or turned on their AC for some relief from the current heat wave, knows that energy prices are skyrocketing.

Suddenly, instead of the lowest energy prices in the industrialized world, we have the highest.

Because of high natural gas prices, manufacturing and chemical jobs are moving overseas. Farmers are taking a pay cut. Consumers are paying too much to be comfortable in their own homes. Small businesses are struggling to pay their bills.

Communities across the country are suffering. And as many as 2.7 million manufacturing jobs have been lost.

All the while, we have grown dangerously reliant on foreign sources of energy. And some of those foreign sources do not have our best interests at heart.

In the 1960s and early 1970s, the U.S. produced almost as much oil as we consumed. Imports were relatively small. But since then, U.S. oil production has been on the decline, while consumption has steadily increased. As a result, we have become more and more dependent on imported oil.

Twenty years ago, 75 percent of crude oil used in American refineries came from American sources. Only 25 percent came from abroad.

Today, that equation is nearly reversed. We have become dangerously dependent on foreign sources of oil and natural gas. As a result, America is more vulnerable than ever to the use of energy as a political weapon.

Many nondemocratic and corrupt governments maintain their hold on power by spending the oil profits they earn from selling to us.

We see this happening in Venezuela. We currently import over 1 million barrels of oil a day from Venezuela. Meanwhile, its dictatorial President, Hugo Chavez, actively opposes the United States, supports rogue states such as Cuba, and is destabilizing Latin America.

Many of these same dynamics are also at work in the Middle East. Nondemocratic regimes in the Middle East are using their oil revenues to tighten their grip on the reins of power.

As a result, the conditions that breed hatred, violence, and terror have been allowed to fester and spread terror all over the world. London, Madrid, Russia, Bali, Iraq, and, of course, the United States have all suffered terribly at the hands of the terrorists.

Passing the energy bill today will be a major step forward in addressing these serious national security challenges by putting us on a path to energy independence.

It will also be a major step forward for our economic productivity and prosperity.

The energy bill promises to deliver exciting new technologies to increase our efficiency and lessen our dependence. Hydrogen fuel cells are one example.

If just 20 percent of cars used fuel cell technology, we could cut oil imports by 1.5 million barrels every day.

The energy bill authorizes \$3.7 billion to support hydrogen and fuel cell research and the infrastructure we need to move toward this goal.

Last month, Senator HATCH and I had the opportunity to attend a hydrogen

car demonstration here at the Capitol. The cars were stylish. They drove well. The technology was very promising.

Hybrid cars are already gaining in popularity. Nissan recently announced that its first hybrid vehicle will be built at their plant in Smyrna, TN.

This is one example of how technology can simultaneously promote conservation and efficiency, and boost the manufacturing sector.

In addition, the energy bill's conservation and energy efficiency provisions far exceed those of other energy bills considered by the Congress in recent years.

According to the American Council for an Energy Efficient Economy, the Energy bill will save \$1.1 trillion cubic feet of natural gas by 2020, equivalent to the current annual consumption of the whole State of New York.

It will reduce peak electric demand by 50,000 megawatts by 2020, the equivalent of 170 new power plants.

This bill encourages the use of home-grown renewable fuels such as ethanol and biodiesel, as well as wind and solar and geothermal energy.

The ethanol mandate will require fuel manufacturers to use 7.5 billion gallons of ethanol in gasoline by 2012. This provision alone will reduce oil consumption by 80,000 barrels of oil a day by 2012; create over a quarter of a million new jobs; increase U.S. household income by \$43 billion; all adding \$200 billion to the GDP between 2005 and 2012.

It provides incentives to facilitate the development of cutting-edge technologies like coal gasification and advanced nuclear plants, which will produce clean, low-carbon energy to help address the issue of global climate change.

And it will modernize and expand our Nation's electricity grid to enhance reliability and help prevent future blackouts.

This change in particular is long overdue. We are once again seeing the strain on our aging electrical grid as people turn up the AC to deal with the current heat wave.

In fact, the Tennessee Valley Authority reported that yesterday's demand for electricity reached an all-time record level of almost 32,000 megawatts, breaking a record that had been set just the day before.

The Energy bill will help us both conserve more energy, and produce more energy. It will also help produce more jobs.

It is estimated that the Energy bill will save over 2 million jobs and create hundreds of thousands more.

As I mentioned, the ethanol provision is expected to generate over 230,000 new jobs.

Incentives for wind-generated energy are expected to create another 100,000 jobs.

The investment in clean coal technology will create 62,000 jobs. And 40,000 new jobs in the solar industry will come on line. These are good jobs, well paying, and right here at home.

The Energy bill is good for America. It will move our country toward a more reliable supply of clean, affordable energy.

I thank my colleagues for the hard work and leadership. Special recognition goes to the Energy Committee chairman, Senator DOMENICI, and his ranking member, Senator BINGAMAN.

Senator DOMENICI's expertise on energy issues is unparalleled in the U.S. Senate, as he has demonstrated for a number of years on both the Energy Committee and the Energy and Water Appropriations Subcommittee.

His determination to produce a comprehensive national energy policy, and his hard work with Senator BINGAMAN, as well as members of the Energy Committee, is the reason why we stand here, today, on the cusp of final passage of a balanced, bipartisan Energy bill.

And finally, special recognition goes to President Bush for his unwavering commitment to delivering an energy plan for the 21st century.

He came into office determined to deliver an energy plan that makes America safer and more secure. And soon he will have a bill to sign into law that does just that.

Every day we are working hard to deliver meaningful solutions to the American people. The Energy bill promises to keep America moving forward.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, with regard to this bill, I want to acknowledge, of course, all of the very complimentary statements many colleagues have made about the good work Senator DOMENICI and I did on this bill. Clearly, I have myself complimented Senator DOMENICI for his leadership in this regard many times. The fact is this bill is the result of much good work by many Members, much good work by the staffs of our committee and the staffs of many Members individually, and work that has occurred over a very long period of time. So I think some of the relief some of us are feeling as a result of seeing this finally come to completion is because of the multiple years that have gone into this effort to get a bill we could agree upon.

Every time a bill, particularly a bill of this size and comprehensiveness, comes to the Senate floor, it requires a balancing of those provisions which are positive and constructive with those that are less so, and in some cases are negative. I feel very strongly that the positive outweighs the negative in this bill. There are many provisions that will move us in the right direction.

My colleagues have been alluding to those this morning in many of their statements and there are things we need to come back and try to correct in the future, and we will have that opportunity. There are issues we were unable to address in this bill that we will hopefully be able to address in the

coming months that I think also need to be mentioned. All of the discussion has been useful. All of the good work, particularly of the Energy and Natural Resources Committee members, has been appreciated.

I again appreciate very much the process that has been followed in getting us to this point. I compliment all colleagues, and I yield the floor. I know Senator DOMENICI wishes to make a final statement.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent that a list of staff men and women who helped put this conference together be printed in the RECORD. I commend them.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Judy Pensabene, Karen Billups, Dick Bouts, Kathryn Clay, Kellie Donnelly, Lisa Epifani, Marnie Funk, Frank Gladics, Angela Harper, Colin Hayes, Frank Macchiarola, John Peschke, and Clint Williamson.

Mr. DOMENICI. Mr. President, this bill will produce more jobs for our country, more secure jobs, and we will be using cleaner energy in the future. This will happen across America, and it will happen in the State of Wisconsin.

Also, I would like to say to everyone here, our electrical system will be safer and more sound. We may very well have nuclear powerplants built anew for the first time in years. Renewable energy will be advanced and enhanced dramatically. Some do not believe ethanol will be a significant contributor to less dependence on foreign oil. They are mistaken. We will, within the next 7 or 8 years, make a major contribution to jobs, stability of the agricultural community, and the production of ethanol as a substitute for gasoline.

In addition, we will enhance our supply of natural gas, thus stabilizing the price, which is one of the most significant things for America's future. If we cannot do that and the reverse happens, we will export hundreds of thousands of jobs. While everyone thinks that the only problem is gasoline, the problem is far bigger than gasoline prices tomorrow morning; it is what will be the state of energy 5 and 10 years from now in the United States.

I can tell my colleagues, we will be safer, we will have more jobs, we will have an electric system that is safe and sound. We will have diversity of energy sources and supplies built in our country, spending our money, creating jobs, and much more.

Frankly, it is very easy to criticize a bill of this magnitude, and it is very easy to say we did not solve everything.

I close by saying there is criticism that we did not do anything to alleviate our great dependence on crude oil. I think we did. Hybrid cars are accentuated and pushed ahead by tax credits. I just explained ethanol. But if anybody thinks right now we can pass in the Congress a bill to substantially

change the American way of using automobiles, I ask them to stand up, and we will put it on the Senate floor next week and see if they can do it. We cannot order Americans to buy smaller cars, little tiny cars, and we cannot order them to stop buying cars. That will happen. It is going to happen, and we are going to have more efficient ones clearly in short order in this country, but we cannot do everything in this bill. We have done a great deal.

My compliments to Senator BINGAMAN. I am glad this was a totally bipartisan bill, totally open in every respect. I think we have proved that on a major, contentious bill, we can have open, above-board, total participation by any Senator who wants to participate. In conference, the same with the press of having all of the amendments and everything we do so they can do what they would like with the American people and yet get an agreed-upon bill.

That is a pretty good accomplishment on the part of Senator BINGAMAN, myself, as the leaders in the Senate, and Congressman BARTON and Congressman DINGELL in the House.

I yield the floor and thank the Senate for permitting me to produce this bill.

DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006—Continued

The PRESIDING OFFICER. Under the previous order, there is 2 minutes equally divided on the conference report accompanying H.R. 2361.

Mr. OBAMA. Mr. President, I rise in support of the Interior appropriations conference report and to speak about two key provisions: one to protect our veterans and one to protect our kids.

First, the conference report includes a much needed \$1.5 billion supplemental spending package for veterans health care. This \$1.5 billion will cover the massive budgetary shortfall that Congress only recently discovered, and I hope this will prevent the loss of some important veterans health care services.

Earlier this year, I, along with my Democratic colleagues on the Senate Veterans' Affairs Committee, repeatedly asked the Department of Veterans Affairs if the President's budget provided sufficient funds for veterans health care. The response we received was yes, the funds are sufficient.

Unfortunately, that response was not consistent with what folks on the ground were saying about VA health care services. They complained of long waiting periods for doctor's appointments, reduced office hours at veterans clinics, an increased demand for services, and reduced access. These voices were too loud to ignore, so I joined my colleagues Senator MURRAY and Senator AKAKA here on the floor of the Senate to ask for additional funding for VA health care. Those efforts were