

great minds of this Nation and the great technology that has been developed; as the Nation needs so desperately more oil and more gas, particularly natural gas; with the prices so high so that supplies can be increased and, hopefully, demand can be reduced, prices can come down, prices can stabilize, and the entire economy, from the Midwest to the Northeast to the far West can benefit from that effort, I wanted to show a graph of what I am speaking about because I think a picture is worth a thousand words, and I know I only have a few more minutes. This is why I continue to come to the Senate floor to say that the gulf coast is America's only energy coast.

This represents the miles and miles of pipeline, rigs, and infrastructure that have been developed in the Gulf of Mexico since the first well was drilled off of Creole, LA, in the gulf in the 1940s. By the way, that community was just completely wiped out in the last hurricanes, Hurricanes Rita and Katrina. But right off of Creole, a tiny little community in southwest Louisiana, the first offshore oil platform was drilled. Subsequently, over decades this infrastructure has been built and it has been built better and better and stronger using better technology, and as a result this country has benefited significantly from this contribution.

Another way to look at it is the oil and gas leasing that has occurred—which Secretary Kempthorne will now be responsible for, how these leases occur, where they occur, and when they occur. As you can see, Alabama, Mississippi, Louisiana, and Texas have served as hosts to this industry, and we have served proudly. But there is a crisis now in the Gulf of Mexico, and it was brought to the televisions of every American—every American—with the landfall of Katrina and Rita and the subsequent flooding.

This is the devastation that has occurred along the gulf coast, the flooding in the city of New Orleans and in communities throughout Louisiana, and the frightening and real erosion of America's only coastal wetlands the coastal wetlands of Louisiana. We have lost over a million square miles of wetlands, and we are losing 33 football fields a day. Thirty-three football fields a day are being lost in this great and extraordinary wetland.

When people say: Senator, how are the beaches in Louisiana?

I say: We don't have beaches in Louisiana. We love the beaches that are in Florida, Alabama, and Mississippi. We have vacationed on them our whole lives. But we have the greatest delta system in America, built over a million years by the Mississippi River itself, the land that we actually live on. On this land are great wetlands that supply fishing, that host and serve as the home of the mighty Mississippi River, and serve as a platform for oil and gas.

As the Secretary will come to know, this oil and gas could not be retrieved or mined from the Gulf of Mexico with-

out the partnership of these Gulf Coast States. So what we are asking for is fairness. We are asking for a percentage, a percentage in dollars, from this drilling to come back into this area and help us restore our wetlands and invest in the infrastructure necessary to protect this great coast so that we can provide our people with a bright and strong economic future.

I am going to submit a longer statement for the RECORD. Again, I submit, looking at this chart, and just showing one more, that when we say the gulf coast is America's energy coast, these are the pipelines that come from the Gulf of Mexico. You can see even the Rocky Mountains. We are proud of the production that goes out West. We are proud of that production. But as you can see, a lot of our gas is coming from Canada and, hopefully, more of our gas will come from Alaska.

I see my friend and colleague from Alaska, the senior Senator, on the Senate floor. We hope we can get more gas from Canada and from Alaska because we need it. But I want people to see where the gas is coming from. The gas is coming from Louisiana, and if you want more of it, then, No. 1, help us to save our State from washing away in the gulf; and, No. 2, help us to share in some of these revenues that will go right back into these communities to support the industry and the people and the schools and the churches and the towns that make this all possible. And, if not, then go find your gas somewhere else. I mean that. Go find it somewhere else because we have a lot of it down here. We are happy to give it, but we need some respect and cooperation on this point.

The Senator from Alaska is here to speak, and I am going to be back later this afternoon to finish the remarks that I want to put in the RECORD. I see Secretary Kempthorne standing here. I appreciate him being on the floor to hear these remarks. I am looking forward to having him come to Louisiana. I said he is not much use to us with a broken foot, so he has to get that foot fixed and then come on back so we can take him out to offshore oil and gas rigs. He has promised to do that, and I am sure he will get up to Alaska sometime soon to see the great work that Alaska does. He, of course, is very familiar, having been the Governor of Idaho, with the West. But, Governor, we are looking forward to having you come down and visit us on the gulf coast.

I yield the floor.

#### LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 10 minutes.

Mr. STEVENS. Mr. President, I would like to change the order in terms of the time agreement. I ask that I be

recognized for 10 minutes. Following my presentation, Senator REED be recognized for 10 minutes, Senator SPECTER for 10 minutes, Senator BYRD for such time that he may require, and following Senator BYRD, Senator MCCONNELL be recognized for such time as he may require.

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

#### ENERGY

Mr. STEVENS. Mr. President, yesterday the House of Representatives passed the bipartisan American-Made Energy and Good Jobs Act. This bill directs the Secretary of the Interior to establish and implement a leasing program to enable the exploration, development, and production of Alaska's oil and gas resources in the Arctic Coastal Plain.

I come today to commend our House colleagues for taking this action. Opening the Coastal Plain to development will help stabilize energy prices, spur economic growth, and enhance our national security. The Coastal Plain is believed to be the second largest oilfield ever discovered in North America, capable of producing at least 1 million barrels of oil per day. The National Defense Council estimates the development of the resources in our Coastal Plain will create between 700,000 and 1 million American jobs.

A majority in both Houses of this Congress and 70 percent of all Americans support exploration and development of Alaska's Coastal Plain. Our Senate colleagues should join those in the House and act to authorize development of these domestic resources.

Going forward, the United States must increase domestic production to secure our energy independence. Our Nation is in the midst of an energy crisis. In 2003, gasoline cost \$1.56 per gallon. This week, prices at the pump are averaging \$2.88 per gallon in my State and in some places over \$4 a gallon.

In the 1990s, natural gas prices in the lower 48, as we call it, averaged \$2.50 per thousand cubic feet. Today, natural gas costs approximately \$6 per thousand cubic feet, more than twice as much. This situation will only grow more serious. It is estimated that our LNG imports will increase by 500 percent in the near future. We also now face increased competition for that LNG from foreign nations.

In the last 14 years, India's oil consumption has doubled. China was the second largest oil importer in the world in 2004. According to the Energy Information Administration, by 2025, the world energy consumption will increase by 57 percent.

Americans cannot conserve our way out of this problem, and we cannot suspend the law of supply and demand. If we continue to lock up our lands, this country will not have the energy needed to keep up with the global economy. Conservation and alternative fuels are part of the overall solution, but to end

this crisis, we must also increase our domestic production of oil and gas resources.

In 2004, Congress provided the financial incentives to move forward with the Alaska natural gas pipeline. This pipeline, constructed to move 35 trillion cubic feet of gas known to be in the Prudhoe Bay area, when completed, will deliver about 4 billion cubic feet of natural gas per day to the American market.

I now have serious concerns about the process for this pipeline being constructed. Federal officials told me that it would take 44 months once the Federal Energy Regulatory Commission receives an application to proceed with it. Congress can shorten this timeframe by declaring a state of emergency, and we have to realize that it is a national emergency with regard to our future gas supply. Congress cannot intervene, however, until the State of Alaska has taken action on this gas pipeline. The pipeline is to move gas from State lands, lands which the State of Alaska is the owner of, and the Alaska Natural Gas Pipeline Act of 2004 stipulated that if an application was not received by the Federal Government by 2006 for the construction of this pipeline, the Department of Energy could study the feasibility of a pipeline to be built and owned by the Federal Government. This study is now underway.

While Federal ownership is not the preferred course of action, given our Nation's current energy crisis and the emergency we face, this Nation must ensure that this project moves forward as quickly as possible.

Earlier this week, the Wall Street Journal published an interview with Lord John Browne, the chief executive officer of the British Petroleum Company. Lord Browne told the paper: "The growth for us in Alaska is gas." He was talking about, of course, the BP Company.

He said: "Oil will continue, but gas will flip over and replace oil as the economic driver." He is talking about the enormous potential of gas in the Alaska economy. And he added that: "Once our pipeline is approved, we can look forward to 50 years"—we can look forward to 50 years—"of increased gas supplies."

Now, our State and the Federal Government have to act quickly so that we can begin to lay the foundation for this next 50 years of increased domestically produced natural gas.

Alaska's energy resources are needed now. Our State's potential is staggering. Trillions—I am told 32,000 trillion—of cubic feet of gas hydrates lie beneath the permafrost under the North Slope lands of Alaska. We have half the Nation's coastline. It holds some of the world's greatest prospects for ocean and tidal energy. Two-thirds of the Continental Shelf of the United States is off our State. In addition to that, we hope someday we will join the producers of ethanol. Ethanol can be

made from wood chips. Our State forests contain millions of acres—millions of acres—of trees that are available for harvest, including particularly the Birch trees which I am told is a good source of material for this type of fuel to make ethanol.

Alaskans are pioneers, but we are also realists. It will take decades before our Nation can fully commercialize alternative energy sources. Solving our country's energy crisis will require conservation. It will require development of alternative fuels, but it also requires domestic production of our domestic oil and gas resources. Those who advocate only one or two of these approaches are misleading the American public. There is an urgent need for us to develop our domestic resources now, and there is an urgent need for us to develop alternative fuels and to conserve. We must do all of that, Mr. President.

Federal action is required and State action is required immediately if we are to develop this gas pipeline. This gas pipeline project must go forward, and authorization of the development of our resources in our Coastal Plain and the ANWR proposal is absolutely necessary. I urge the Senate to join the House in authorizing the development which was authorized by the Congress in 1980. For over 25 years we have had a majority in the Senate which approves the development and exploration and development of oil and gas resources of the Arctic plain. It is only a filibuster that has stopped us. America needs these resources to meet the increased demand for our energy and to provide for relief from our continued increased dependence upon foreign sources for energy. I urge the Senate to join our colleagues in the House and authorize development of our Coastal Plain. I also urge my own State of Alaska to move quickly to approve the application for the natural gas pipeline so it can move forward also.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

#### NOMINATION OF GENERAL MICHAEL HAYDEN

Mr. REED. Mr. President, a short time ago the Senate approved the nomination of GEN Michael Hayden to be the Director of the Central Intelligence Agency. I think it was an appropriate confirmation by this body, but I do think it is also appropriate to comment on the nomination of General Hayden.

Twenty months ago, I came to the Senate floor to oppose the nomination of Porter Goss for the same position, as Director of the Central Intelligence Agency. At that time, I stated that the Director of Central Intelligence is a unique position. It should stand above politics. The citizens of the United States have the right to assume that the Director of Central Intelligence is

providing objective information and analysis to allow the President to make the best possible decisions.

I didn't believe that a partisan choice was the proper choice then, and it seems in fact that was the case. Mr. Goss is an example of where this administration believed that its political agenda was more important than the security of our country. The CIA was in turmoil then, and it is in turmoil now. The Agency's assessments were distrusted then and are still subject to skepticism now. Many more experienced operatives have resigned. Mr. Goss, a political operative chosen by President Bush to lead the Central Intelligence Agency through a difficult period while engaged in a war, failed in this mission. So the administration is trying again.

This time, the President has chosen an intelligence veteran. General Hayden has served our Nation for the past 37 years as a distinguished intelligence officer in the U.S. Air Force. He has most recently held positions as Director of the National Security Agency and the Principal Deputy Director of National Intelligence. General Hayden is well versed in intelligence matters, he is well known in the community, and I do not believe he is a partisan political operative. There is evidence that General Hayden has been and can be independent and objective. General Hayden is a better choice, a much better choice, than Mr. Goss. However, I still have some concerns.

First, there has been much discussion about General Hayden's position in the military and his ability to be independent from the Defense Department in his assessments and in his operations. While the law has always allowed a military officer to serve in this position, I believe there is a valid reason for concern. The fiscal year 2007 national Defense authorization bill addresses this issue. It states that flag and general officers assigned to certain positions in the Office of the Director of National Intelligence and the CIA shall not be subject to the supervision or control of the Secretary of Defense or exercise any supervision or control of military or civilian personnel in the Department of Defense, except as authorized by law. I believe this is an important provision and only one reason the Defense authorization bill should be considered as soon as possible, to get this position on the books of law.

However, I also believe we have to go a step further. I think if a military officer is chosen as the Director of National Intelligence or Director of Central Intelligence, that position should be a terminal assignment. That position should be recognized by the officer and by other members in the Department of Defense and the administration as the final assignment of that particular officer. I believe it best for our national security if an officer who takes one of these top intelligence positions is free from considerations about his future military career—what