

furniture-makers in Pennsylvania whose jobs were eliminated and shipped to China. As their plant shut down, each one of those craftsmen signed the bottom of the last piece of furniture their company would make in America. As we import wage pressures onto our own shores, we will be hearing hundreds of similar stories in the years to come. The guest worker provision threatens to eat away at our middle class.

It has the potential to harm guest workers and American workers alike. Who, then, does it benefit? I don't think I need to tell my colleagues the answer. But unless we reform our standards for guest workers, we will be putting the demand for cheap labor above the dignity of immigrants and Americans alike.

I voted to strip the guest worker provision from last year's immigration bill; and I supported stripping it this year. And while the amendment offered by Senators DORGAN and BOXER did not pass, I am heartened that we adopted Senator BINGAMAN's amendment to limit the program to 200,000 guest workers per year. And as we move forward in this debate, I hope that we will also have chance to strengthen protections for guest workers and reduce wage pressure on Americans.

#### MORNING BUSINESS

Mr. KENNEDY. Mr. President, I ask unanimous consent that we have a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak longer than 10 minutes. I don't intend to speak for more than 25 minutes and maybe not that long. I would at least like to have the freedom of going beyond 10 minutes.

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

#### ENERGY

Mr. GRASSLEY. Mr. President, I am going to talk about an energy issue. I am sure people listening, and my colleagues, might think I am talking about an energy issue because gasoline is at the highest price it has ever been in the history of the country. I assure you I would be giving these remarks even if the price of gasoline was only \$1 a barrel, because it involves, in an overview, testimony that was given by oil company executives before the Judiciary Committee some time ago. What is being reported are policies of oil companies. I have become aware of an article in the Wall Street Journal. So I am going to be referring, during my remarks, to evidence I got from the Wall Street Journal, letters that I have sent to the CEOs of major oil companies, and testimony that was given be-

fore the Judiciary Committee of the Senate—I might say that it was sworn testimony—and what I consider to be some inconsistencies. I will be referring to that testimony from the record.

I will be referring to the letters I have sent to the CEOs. As an overview, I am going to be pointing out inconsistencies between sworn testimony and what oil company executives say are their company policies regarding ethanol, and particularly the 85-percent ethanol that we call E85; and then, of course, letters I sent to the oil companies, raising questions that were raised because of this article, to have the oil companies give me their story, in case this article was wrong.

Across the country, American families and businesses are suffering from the economic impact of rising gasoline prices. As many families begin to plan their summer vacations, they are being forced to dig deeper into their pockets to fill up the family car.

The rising cost of gasoline is a result of many factors. Global demand for crude oil and refined products is way up constantly, as a result, driving up the price. The Organization of Petroleum Exporting Companies—what the people of this country know as OPEC—has curtailed some production. Refineries are offline for maintenance or have experienced outages. As a result, these refineries are operating at 5 to 10 percent below normal.

Once again, refinery outages have, coincidentally, occurred just as the summer driving demand kicks into gear, and this has led to an average price of over \$3.15 a gallon as a national average. In my State of Iowa, I think it is \$3.33 today.

The impact of these increased prices is being felt across the country by working families, farmers, businesses, and industry. The increased cost for energy has the potential to jeopardize our economic security, our economic vitality.

Because we are dependent upon foreign countries for over 60 percent of our crude oil, our dependence on them is a threat to our national security.

In recent years, many Members of the Senate have touted the value of increasing our domestic energy resources. I have been one of those—particularly for ethanol and particularly for biodiesel. In Iowa, I am the father of the wind energy tax credit. Iowa is the third leading State in the production of electricity from wind energy.

Increasing domestic resources, whether it is ethanol, biodiesel, wind, biomass, you name it—all of these are from alternative sources that are good for our economy and particularly good for our national security. Diversity of supply can go a long way toward reducing the impact of price spikes and volatility. That is why I have been such an ardent supporter of the development of these domestic renewable fuels. Each gallon of homegrown, renewable ethanol or biodiesel is 1 gallon of fuel that we are not importing from countries

such as Iran, or Venezuela, which are very unpredictable—or Nigeria, where we get 10 percent of our oil, which might be unpredictable because of revolutionaries there kidnapping American workers, such as they did 2 weeks ago, or German workers over the period of the last year. It is a very nervous environment we are in.

The supply from the Saudi oil wells to our gas tank is maybe a 17-day inventory. So any little thing happening, according to the business pages of the newspaper, causes the price to spike. So I have been an ardent supporter of these domestic renewable fuels.

In the past few years, domestic ethanol production has grown tremendously. Right now, we are consuming about 5 billion gallons of ethanol annually. With all of the new ethanol bio-refineries under construction, we will be producing as much as 11 billion gallons annually by 2009.

Ethanol's contribution is a significant net increase to our Nation's fuel supply. But as the industry grows, it is imperative that higher ethanol blends be available to consumers. When I say higher ethanol blends, I mean beyond the 10 percent mixture that we have right now. We even have cars right now that can burn up to 85 percent ethanol. That is why we refer to it as E85. That is what we are talking about, increasing the 10 percent as cars are manufactured, to be able to consume it without hurting the engine. That is where the automobile companies are headed. That is where the ethanol industry is headed to back it up. But the point I will make in a minute is that the distribution for E85 is a problem, and it looks to me like big oil is a major part of that problem. That is what I am going to point out.

We are quickly approaching a time when ethanol will be produced in a quantity greater than that needed for the blend market as we continue down the road that has been pioneered by Brazil—and that is the best example—to use cars that will, in fact, burn 100 percent ethanol. For sure, we must continue on this path of reducing foreign oil dependence and greater renewable fuel use.

To do that, then, it is critical that we develop the infrastructure and the demand for E85, an alternative fuel comprised of 85 percent ethanol, 15 percent gasoline.

Our domestic auto manufacturers are leading the effort to expand what we call the flex-fuel—meaning flexible fuel—market. Our domestic manufacturers of automobiles are doing this. Our domestic automakers have produced approximately 6 million flex-fuel vehicles over the past decade. In fact, you might be driving a flex-fuel vehicle and don't even know it, burning 100 percent gasoline, or the 90/10 percent mixture of gasoline and ethanol. Look at your book. If you can burn E85, do it—if you can buy it. I am going to point out how that is a problem—the distribution—and the oil companies' involvement in it.

In a visit to the White House in March of this year, the chief executive officers of Ford, General Motors, and DaimlerChrysler committed to double their production of E85 vehicles by 2010. By 2012, they committed to have 50 percent of their production of vehicles E85 capable. Listen, there is a big price difference here—\$2.85 for E85 a gallon versus \$3.33 for gasoline today. So when they get 50 percent of their production E85 capable, this is then, as they say, a highly achievable goal with very little impact on consumers because you can buy these cars for as little as \$200 in additional cost. So you can burn the E85 as well as 100 percent gasoline. If you would rather pay more and buy the 100 percent gasoline, you can still burn it in the same car. This is very inexpensive for the money that can be saved.

However, a very important component of the alternative fuel market is ensuring that the fuel is available to the consumers. The ethanol industry is working hard to increase production of ethanol, and they are on target to have 11 billion gallons in a little while.

The automobile makers are ramping up production of their vehicles. So everybody seems to be doing their part.

But where is the oil industry? I thought a year ago, when they appeared before the Judiciary Committee, they were on the road to cooperating with the distribution of E85, but I read in the Wall Street Journal quite a different story. So I think I can legitimately ask, if we got the car manufacturers producing E85 cars that can burn that and the ethanol industry producing it, where is the oil industry? Because that is the distribution of this. There is not an independent distribution of E85. You have to go to your filling station, where you can buy 100 percent gasoline and have the alternative of filling up with E85.

What have they done to ensure a robust growth of the alternative fuels market? Well, Mr. President, it appears they have been less than helpful. I have referred to this article in the Wall Street Journal. It details many of the obstacles the major oil companies use to block service stations from selling E85.

Now, imagine my surprise when I read this story, because just over a year ago, I questioned many of the CEOs of the major oil companies on this very issue when they appeared before the Senate Judiciary Committee about whether there was any sort of violation of antitrust laws, any sort of collusion. There was a whole range of questions that were being asked by the members of the Judiciary Committee, wanting to know if the marketplace is working, because if the marketplace is working, you cannot have any complaints. But if it is not working, we have to do something about it. The CEOs of ExxonMobil, British Petroleum, Chevron, ConocoPhillips, and others testified before this Senate Judiciary Committee under oath. The

bottom part of this picture depicts the CEOs I named from ExxonMobil, British Petroleum, Chevron, ConocoPhillips—I will not name them all, the major oil companies testifying, taking their oath, as they swore to tell the truth in the Judiciary Committee.

I remind my colleagues of another very famous group of CEOs on the top of this picture back in 1994 taking the oath to tell the truth to a House committee. Those are the CEOs of the major tobacco companies. At that hearing, our great colleague from Oregon, Senator WYDEN, who was then a Member of the other body, went down the line of these CEOs and asked each of them whether they believed nicotine or cigarettes were addictive. We all know how that hearing went, with each of the CEOs testifying that nicotine was not addictive when, in fact, it is. There is the photo of those CEOs who got themselves in trouble a little bit later when there was plenty of evidence brought out that they knew what the situation was with tobacco being addictive and what they did to make it addictive. Of course, the second photo is from March 2006, before the Senate Judiciary Committee, of the chairmen of the major oil companies taking an oath to tell the truth as well.

Much like my colleague, Senator WYDEN, when he was a Member of the House of Representatives asking the tobacco company executives about tobacco being addictive, I questioned the oil company executives, in the bottom picture, at the time of this hearing, about their policies regarding alternative fuels, meaning mostly ethanol. I was leading up to E85. I asked the CEOs quite clearly if they would commit to allowing independent owners of branded stations to sell E85 or biodiesel, B20, which is a 20-percent mixture with petroleum diesel. Remember, as I was asking them questions, these folks were under oath.

I also asked them if they would allow those station owners to purchase the alternative fuel from any outlet because if they didn't sell it and oil companies are not selling ethanol but people who produce it can, will they let their stations buy it from an independent outlet. Each of these CEOs, when I asked that question, testified that they were perfectly willing to allow the sale of alternative fuels at their stations. ExxonMobil CEO Rex Tillerson stated:

We've denied no request from any of our dealers who have asked for permission to sell unbranded E85. We've granted every request by our dealers who wanted to install separate pump facilities under their canopy for E85.

Mr. David O'Reilly, the CEO of Chevron—I am referring to people who took an oath to tell the truth, and we can see their picture here—Mr. David O'Reilly, CEO of Chevron, responded, similarly stating that E85 was already available at Chevron stations and that it was available under the canopy. He offered with pride that Chevron was

probably the largest seller of ethanol. According to the CEO for British Petroleum, all of BP's 8,900 independently owned stations are free to deploy E85. Finally, the CEO of ConocoPhillips simply associated himself with the comments of the other witnesses.

Mr. President, I ask unanimous consent that the relevant pages of the March 14, 2006, Senate Judiciary Committee transcript be printed in the RECORD.

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

CONSOLIDATION IN THE OIL AND GAS INDUSTRY:  
RAISING PRICES?

Senator GRASSLEY. I want to ask a question of any of you, and this is in regard to alternative energy. And most of you know I am a big promoter of ethanol. I have heard stores after stories about independent owners of franchised or branded stations who are prohibited from selling alternative or renewable fuels, so I would like to hear from some of you—will you commit to allowing independent owners of branded stations who choose to sell E-85 or B-20 to do so? Would you allow independent owners to produce alternative fuels from any outlet so that they can purchase a fuel at the lowest cost?

Mr. TILLERSON. Senator, we have denied no request from any of our dealers who have asked for permission to sell unbranded E-85 at their sites. We have asked that they make it clear that it is not an ExxonMobil product, that we do not manufacture it, therefore we can't stand behind the quality. But we have granted every request by our dealers who wanted to install separate pump facilities under their canopy for E-85.

Senator GRASSLEY. I would like to hear from other companies, maybe not all of you, but at least—

Mr. O'REILLY. Senator, I would be willing to say that we have already asked for. It is already out there. It can be under the canopy. Same quality issue. I would also add that we are probably the largest, certainly one of the largest sellers of ethanol today already.

Mr. HOFMEISTER. Senator, we are in the same position as has been described. You may be aware that we are currently launching a pilot in Chicago, in conjunction with one of the automobile manufacturers, to test E-85. And I think that is an important point. E-85 needs to be tested in the marketplace before we go full-scale into E-85 supply. The reason for that is we don't fully understand or know the implications of E-85, and as a major brand, of course, the provider of that fuel will often be considered liable for such fuel. And until we understand it, I think we need to really work at what are the conditions under which this would be sold.

Senator GRASSLEY. Most of the people I hear complaints from will assume liability. You don't have to have that liability.

Other companies? Are you willing to cooperate with E-85?

Mr. KLESSE. Senator, I would agree with what has been said.

Mr. PILLARI. Senator, of our 9,300 stations, 8,900 of them are independently operated and they are free to deploy E-85. We are also running a test program on E-85 in California to test its efficacy and its air pollution impacts, because California restricts how much ethanol can be used in gasoline today.

Mr. MULVA. Senator, we have the same comments that you have heard from the responses from the others already.

Senator GRASSLEY. My time is up, but this business of you having to test something

when you have the president of—I think it is the CEO of Ford on television all the time saying how they are promoting their E-85 cars, it seems to me if you have the president of a major corporation like that, that is all the test you need. Leave it up to the consumer to make the decision.

Chairman SPECTER. Thank you, Senator Grassley.

Mr. GRASSLEY. So the CEOs of the major integrated oil companies testified under oath before the Judiciary Committee stating their willingness to allow independent stations to offer E85. But the Wall Street Journal told a much different story. It highlighted tactics used by the big oil companies to block alternative fuel. The obstacles included contracts restricting the purchase by the station owners of alternative fuel. They also required the installation of completely separate pumps, sometimes far away from the main canopy, and in many cases station owners are prohibited from advertising the product or even posting the price of that fuel, E85. British Petroleum goes so far as to prohibit station owners from placing signs that include E85 on gasoline dispensers, perimeter signs, or light poles. These tactics don't sound consistent with a company—meaning British Petroleum—with a marketing slogan “beyond petroleum.”

The big oil companies on many occasions cited “customer confusion” as the rationale for their policies or that they don't want to “deceive their customers” about the product. I happen to believe that it has more to do with limiting the availability of a product that they don't control and the sale of alternative fuels much more than it is customer deception.

After I read the Wall Street Journal article, which is so contrary to what I remember them telling me 1 year, 13 months before, I wrote letters to the CEOs who testified. Their picture is here. I pointed out the contradictions in their testimony before the Senate Judiciary Committee and the allegations that were made in the Wall Street Journal.

I wish to refer to these letters so my colleagues will know what I asked them based on this article.

I have a letter to Mr. Rex Tillerson of ExxonMobil. I am not going to read the whole letter, but I am going to read what I am after here:

In fact, Exxon Mobil's standard contract bars Exxon stations from buying fuel from anybody but Exxon—a fact you chose not to disclose to our committee. It also appears that even in cases where exceptions are made, Exxon requires those station owners to install entirely separate dispensers. . . .

I refer to a letter I sent to Mr. Robert Malone, chairman of British Petroleum:

The Wall Street Journal article indicated that BP prohibits branded stations from including E-85 on gasoline dispensers, perimeter signs or light poles. Another obstacle employed by your company is the prohibition of using pay-at-the-pump credit card machines for E-85 purchases. . . .

That seems to be very contrary to what they told us, that they were allowing the sale of E85 at their stations.

Mr. James J. Mulva, ConocoPhillips:

The Wall Street Journal article indicated that Conoco Phillips does not allow E-85 sales on primary islands under the canopy. This policy directly contradicts the statement to which you associated yourself during the March 2006 hearings.

And lastly, Mr. David J. O'Reilly, Chevron:

. . . Chevron's agreement with franchisees discourages selling E-85 under the main canopy and includes policies that are claimed to prevent franchisees from deceiving customers as to the source of the product. The Wall Street Journal article indicated that Chevron recommends that E-85 pumps be outside the canopy and that Chevron prohibits branded stations from including E85 on signs listing fuel prices.

I ask unanimous consent that these letters to ExxonMobil, British Petroleum, ConocoPhillips, and Chevron be printed in the RECORD.

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

U.S. SENATE,

Washington, DC, May 3, 2007.

Mr. REX TILLERSON,  
Chairman and Chief Executive Officer, Exxon Mobil Corporation, Irving, Texas.

DEAR MR. TILLERSON: For many years, I've been supporting and promoting ethanol and biodiesel fuels as a way to reduce our dependence on foreign and traditional energy sources, and increase our national security and rural economies. Our nation is now consuming five billion gallons of ethanol annually, and is estimated to produce as much as eleven billion gallons annually by 2009.

In an effort to further reduce America's oil dependence, it's imperative that higher ethanol blends be available to consumers. While our domestic auto manufacturers are leading the effort to expand the flex-fuel vehicle market, more must be done to expand the fuel's availability. Of the 170,000 stations nationwide, only 1,100 currently offer E-85. This represents less than one percent of fuel stations.

As you may recall, on March 14, 2006, you testified under oath before the Senate Judiciary Committee. At the hearing, I asked if you would commit to allow independent owners of branded stations to sell E-85 or B-20, and if you would allow those station owners to purchase the alternative fuel from any outlet. For your benefit, I've enclosed a copy of the hearing transcript.

In your response to me, you stated that Exxon Mobil has denied no request from any dealers who sought permission to sell unbranded E-85. In addition, you stated that every request to sell the fuel under the canopy has been granted. Your testimony before the committee clearly stated that Exxon Mobil was perfectly willing to allow the sale of alternative fuels at Exxon Mobil stations. However, a recent Wall Street Journal article, which I've enclosed, detailed many of the obstacles your company and other major integrated oil companies apparently use to effectively prohibit or strongly discourage the sale of alternative fuels.

In fact, Exxon Mobil's standard contract bars Exxon stations from buying fuel from anybody but Exxon—a fact you chose not to disclose to the committee. It also appears that even in cases where exceptions are made, Exxon requires those station owners to install entirely separate dispensers, for the purpose of “minimizing customer confu-

sion,” according to an Exxon spokeswoman. It seems this policy has much more to do with limiting the availability of alternative fuels than customer confusion.

I would appreciate hearing your explanation as to why you led me, the Judiciary Committee and the American people to believe that Exxon Mobil supports making E-85 available to your customers, yet your company is described by the Wall Street Journal as a key obstacle to expanding the availability of alternative fuels. I would appreciate knowing exactly what Exxon Mobil is doing to grow the E-85 market, and why you believe your tactics aren't simply obstacles, as claimed by the Wall Street Journal.

I look forward to receiving your response not later than May 25, 2007.

Sincerely,

CHARLES E. GRASSLEY,  
U.S. Senate.

U.S. SENATE,  
Washington, DC, May 3, 2007.

Mr. ROBERT A. MALONE,  
Chairman and President, British Petroleum America, Inc., Houston, Texas.

DEAR MR. MALONE: For many years, I've been supporting and promoting ethanol and biodiesel fuels as a way to reduce our dependence on foreign and traditional energy sources, and increase our national security and rural economies. Our nation is now consuming five billion gallons of ethanol annually, and is estimated to produce as much as eleven billion gallons annually by 2009.

In an effort to further reduce America's oil dependence, it's imperative that higher ethanol blends be available to consumers. While our domestic auto manufacturers are leading the effort to expand the flex-fuel vehicle market, more must be done to expand the fuel's availability. Of the 170,000 stations nationwide, only 1,100 currently offer E-85. This represents less than one percent of fuel stations.

On March 14, 2006, Mr. Ross Pillari, former Chairman of BP America, testified under oath before the Senate Judiciary Committee. At the hearing, I asked Mr. Pillari if BP would commit to allow independent owners of branded stations to sell E-85 or B-20, and if BP would allow those station owners to purchase the alternative fuel from any outlet. For your benefit, I've enclosed a copy of the hearing transcript.

In his response to me, Mr. Pillari stated that British Petroleum was already allowing independently owned stations to freely deploy E-85. His testimony before the committee clearly stated that British Petroleum was perfectly willing to allow the sale of alternative fuels at BP stations. However, a recent Wall Street Journal article, which I've enclosed, detailed many of the obstacles your company and other major integrated oil companies apparently use to effectively prohibit or strongly discourage the sale of alternative fuels.

The Wall Street Journal article indicated that BP prohibits branded stations from including E-85 on gasoline dispensers, perimeter signs or light poles. Another obstacle employed by your company is the prohibition on using pay-at-the-pump credit card machines for E-85 purchases. It seems these policies are in place simply to limit the availability and sale of alternative fuels, rather than prevent customer confusion.

I would appreciate hearing your explanation as to why Mr. Pillari led me, the Judiciary Committee and the American people to believe that British Petroleum supports making E-85 available to your customers, yet your company is described by the Wall Street Journal as a key obstacle to expanding the availability of alternative fuels. I would appreciate knowing exactly what BP

is doing to grow the E-85 market, and why you believe your tactics aren't simply obstacles, as claimed by the Wall Street Journal.

I look forward to receiving your response not later than May 25, 2007.

Sincerely,

CHARLES E. GRASSLEY,  
United States Senator.

U.S. SENATE,  
Washington, DC, May 3, 2007.

Mr. JAMES J. MULVA,  
Chairman and Chief Executive Officer, Conoco  
Phillips Company, Houston, Texas.

DEAR MR. MULVA: For many years, I've been supporting and promoting ethanol and biodiesel fuels as a way to reduce our dependence on foreign and traditional energy sources, and increase our national security and rural economies. Our nation is now consuming five billion gallons of ethanol annually, and is estimated to produce as much as eleven billion gallons annually by 2009.

In an effort to further reduce America's oil dependence, it's imperative that higher ethanol blends be available to consumers. While our domestic auto manufacturers are leading the effort to expand the flex-fuel vehicle market, more must be done to expand the fuel's availability. Of the 170,000 stations nationwide, only 1,100 currently offer E-85. This represents less than one percent of fuel stations.

As you may recall, on March 14, 2006, you testified under oath before the Senate Judiciary Committee. At the hearing, I asked if you would commit to allow independent owners of branded stations to sell E-85 or B-20, and if you would allow those station owners to purchase the alternative fuel from any outlet. For your benefit, I've enclosed a copy of the hearing transcript.

In your response to me, you simply associated yourself with the statements made by the other witnesses. That association led me to believe that Conoco Phillips was already allowing independently owned stations to freely deploy E-85 under the canopy. Your testimony before the committee clearly indicated that Conoco Phillips was perfectly willing to allow the sale of alternative fuels at branded stations. However, a recent Wall Street Journal article, which I've enclosed, detailed many of the obstacles your company and other major integrated oil companies apparently use to effectively prohibit or strongly discourage the sale of alternative fuels.

The Wall Street Journal article indicated that Conoco Phillips does not allow E-85 sales on the primary island under the canopy. This policy directly contradicts the statements to which you associated yourself during the March 2006 hearing.

I would appreciate hearing your explanation as to why you led me, the Judiciary Committee and the American people to believe that Conoco Phillips supports making E-85 available to your customers, yet your company is described by the Wall Street Journal as a key obstacle to expanding the availability of alternative fuels. I would appreciate knowing exactly what Conoco Phillips is doing to grow the E-85 market, and why you believe your tactics aren't simply obstacles, as claimed by the Wall Street Journal.

I look forward to receiving your response not later than May 25, 2007.

Sincerely,

CHARLES E. GRASSLEY,  
United States Senator.

U.S. SENATE,

Washington, DC, May 3, 2007.

Mr. DAVID J. O'REILLY,  
Chairman and Chief Executive Officer, Chevron  
Corporation, San Ramon, CA.

DEAR MR. O'REILLY: For many years, I've been supporting and promoting ethanol and biodiesel fuels as a way to reduce our dependence on foreign and traditional energy sources, and increase our national security and rural economies. Our nation is now consuming five billion gallons of ethanol annually, and is estimated to produce as much as eleven billion gallons annually by 2009.

In an effort to further reduce America's oil dependence, it's imperative that higher ethanol blends be available to consumers. While our domestic auto manufacturers are leading the effort to expand the flex-fuel vehicle market, more must be done to expand the fuel's availability. Of the 170,000 stations nationwide, only 1,100 currently offer E-85. This represents less than one percent of fuel stations.

As you may recall, on March 14, 2006, you testified under oath before the Senate Judiciary Committee. At the hearing, I asked if you would commit to allow independent owners of branded stations to sell E-85 or B-20, and if you would allow those station owners to purchase the alternative fuel from any outlet. For your benefit, I've enclosed a copy of the hearing transcript.

In your response to me, you stated that Chevron was already allowing station owners to sell E-85, and that it was available and under the canopy. Your testimony before the committee clearly stated that Chevron was perfectly willing to allow the sale of alternative fuels at Chevron stations. You proudly stated that Chevron is one of the largest sellers of ethanol. However, a recent Wall Street Journal article, which I've enclosed, detailed many of the obstacles your company and other major integrated oil companies apparently use to effectively prohibit or strongly discourage the sale of alternative fuels.

In fact, Chevron's agreement with franchisees discourages selling E-85 under the main canopy and includes policies that are claimed to prevent franchisees from deceiving customers as to the source of the product. The Wall Street Journal article indicated that Chevron recommends that E-85 pumps be outside the canopy, and that Chevron prohibits branded stations from including E-85 on signs listing fuel prices. It seems these policies are in place simply to limit the availability and sale of alternative fuels, rather than prevent customer deception.

I would appreciate hearing your explanation as to why you led me, the Judiciary Committee and the American people to believe that Chevron supports making E-85 available to your customers, yet your company is described by the Wall Street Journal as a key obstacle to expanding the availability of alternative fuels. I would appreciate knowing exactly what Chevron is doing to grow the E-85 market, and why you believe your tactics aren't simply obstacles, as claimed by the Wall Street Journal.

I look forward to receiving your response not later than May 25, 2007.

Sincerely,

CHARLES E. GRASSLEY,  
United States Senator.

Mr. GRASSLEY. Mr. President, in my letters, I ask for an explanation of their policies that are seemingly used to block alternative fuels. I hope to get a thorough explanation as to why these CEOs led me, led the Senate Judiciary Committee members, and the American people to believe they support

making E85 available to their customers when there is plenty of evidence that they do not practice what they preach, that they do not practice what they told our committee under oath.

What I am afraid of is that these companies are not serious about expanding the availability and use of alternative fuels. I say this for a couple reasons. First, if one takes a close look at the E85 stations in my home State of Iowa, it is rather telling. I have a map. What might look like missiles are ears of corn because ethanol comes from corn. We have 65 stations in Iowa selling E85 today. Only one of those 65 stations selling is a major branded station, and it is down where the yellow arrow is—only one of 65.

A second reason I am skeptical of big oil's claims comes straight from the words of their chief lobbyist, the head of the American Petroleum Institute. Red Cavaney recently stated that there is not enough ethanol or flex-fuel vehicles available to economically justify widespread installation of E85 pumps.

For argument's sake, let's assume that is an accurate statement. Why, then, would big oil undertake such an effort to block independent station owners from deciding for themselves whether to invest in the infrastructure? Let the station owners make that decision. Let's not have, as this article in the Wall Street Journal implies, all these obstacles, particularly since we were led to believe when they testified under oath before our committee that they were fully cooperating with allowing the installation of E85 pumps. If big oil sees no competitive threat from E85 pumps, why not just let the independent-minded station owner decide if there is a demand for the product? The market will make that decision. Why erect all these discriminatory tactics if you believe there is no threat from alternative fuels?

When I get answers to my letters—and I am going to wait until I get all the answers back before I draw any conclusions—maybe they will say the Wall Street Journal article is wrong. I hope that is what I find out and that they did not mislead us under oath when they testified before the committee.

All I can say is, as I conclude, if our Nation is serious about reducing our dependency on fossil fuels and imported crude oil, more must be done to expand the infrastructure for ethanol and particularly E85. America's farmers are demonstrating daily their desire to reduce our dependence on foreign oil by producing more corn in the United States. More acres of corn were planted this year than any time since 1944. And our ethanol industry has invested to make sure we can be less dependent on imported crude oil.

So I look forward to hearing from big oil companies on what they are doing to help. I hope I get answers that are contrary to what the Wall Street Journal said.

Mr. President, I yield the floor.

#### NOMINATION OF MICHAEL BAROODY

Mr. NELSON of Florida. Mr. President, the White House has just announced the President has withdrawn the nomination of Michael Baroody to be the Chairman of the Consumer Product Safety Commission. I think this is a wise move on the part of the White House because of the perceived conflict of interest of Mr. Baroody—an employee of the National Association of Manufacturers being nominated to be the Chairman of the very regulatory agency that governs the regulation and the safety of the very products of the industry from which he comes.

It would be like, in my former life as the elected insurance commissioner, if in a State where the Governor appointed the insurance commissioner, a regulator, the Governor would pick an executive of an insurance company to regulate the very industry he came from as the insurance commissioner.

By the way, that happens with tremendous frequency in the 50 States, that they appoint the insurance commissioner, and they are usually there for less than a year. Then the revolving door turns again, and they go right back into the very industry from which they came and of which they had just been the regulator.

Putting someone from the National Association of Manufacturers at the head of the Consumer Product Safety Commission is a similar kind of potential conflict of interest.

I will give you another example. My former colleague and friend in the House, Billy Tauzin—a distinguished public servant, Congressman formerly from Louisiana—now is the head of Pharmaceutical Research and Manufacturers of America. This would be like the White House appointing Billy Tauzin—the very head of an association in the industry—to regulate that industry by making him head of the Food and Drug Administration, the regulatory body that would regulate the pharmaceutical industry.

Of course, I do not think the White House would even think of doing such a thing.

Well, a similar kind of conflict of interest arose. But a more serious note even arose than the potential conflict when it became apparent there was a severance package that had been created for Mr. Baroody while he was still in the employ of the National Association of Manufacturers that was for \$150,000; and subsequently we learned of an additional amendment to that severance package, after it was announced he was nominated to be Chairman of the Consumer Product Safety Commission.

Mr. Baroody came in and we had a discussion about this issue. He had his own explanation. I do not take anything from that explanation. So, naturally, the next request that I made was

that I think the Commerce Committee ought to see the documents of the \$150,000 severance package and its amendments, its subsequent modification.

Mr. Baroody said he would consider that request. Of course, the clock was ticking because there was going to be a hearing in front of the Commerce Committee tomorrow on his nomination. But, in the meantime, the White House has just announced it is having the President withdraw the nomination.

I will conclude by saying we have a saying down in the South in regard to avoiding a conflict of interest. It is like putting a fox in charge of the hen house, the very hen house with the hens you want to protect. It is an apparent conflict of interest. I think the White House was well served to withdraw the nomination.

#### TRIBUTE TO SENATOR TED STEVENS

Mr. SPECTER. Mr. President, I seek recognition to congratulate my friend Senator TED STEVENS on becoming the longest serving United States Republican Senator in the history of the Senate. He has had a long and distinguished career in public service representing the State of Alaska in the Senate for over 39 years, casting over 14,000 votes, and never receiving less than 67 percent of the vote in any election.

My recollections of TED STEVENS, during the 27 years we have served together in the Senate, focus on his chairmanship of the Defense Appropriations Subcommittee, where he has done so much to promote our national security. For example, his management of the \$87 billion supplemental appropriations bill for fiscal year 2003 earned him high praise by President Bush during the signing ceremony.

TED's temper is generally misunderstood except by those who know him well. He doesn't lose it, but he does use it—and very effectively. However, it is true that on occasion he makes Vesuvius look mild. I recollect one all-night session during Senator Howard Baker's tenure as majority leader when TED expressed himself in an unusually emphatic way. As I recall it, the debate arose over Senator Proxmire's comments about submitting vouchers for travel expense in Wisconsin on his contention that Washington, DC, was his home base. That prompted a reaction from TED, who was aghast at the thought of Washington, DC, being any Senator's home when he had the majestic Alaska to claim as his home.

Some thought that the middle-of-the-night incident might have cost him a couple votes, which could have been decisive, on his election for majority leader in November of 1984, when the count was 28 to 25 in favor of Senator Dole, but it was reliably reported that his loss occurred because of the significant slippage in votes caused by the tobacco interests.

In any event, Senator STEVENS has had a profound effect on the Senate and the Nation in his roles as chairman of the Defense Appropriations Subcommittee, chairman of the full Appropriations Committee, and as President pro tempore.

It is also important to note that Senator STEVENS' career in public service began even before he arrived in the U.S. Senate. He is a distinguished veteran of the U.S. Army Air Corps, having flown support missions for the Flying Tigers of the 14th Air Force during World War II, for which he was awarded numerous medals, including the Distinguished Flying Cross. He had a strong academic career, graduating from UCLA and Harvard Law School. In the 1950s, he practiced law in Alaska before moving to Washington, DC, to work in President Eisenhower's administration. He subsequently returned to Alaska and was elected to the Alaska House of Representatives in 1964 and soon became majority leader. Finally, in 1968, he was appointed U.S. Senator from Alaska and has represented his State ever since with pride and devotion.

His recognition as "Alaskan of the Century" is a real tribute, and I have no doubt that when the passage of time calls for the designation of "Alaskan of the Millennium," it will be Senator TED STEVENS.

#### HONORING OUR ARMED FORCES

PRIVATE FIRST CLASS JEFFREY AVERY

Mr. SALAZAR. Mr. President, I rise to remember a Coloradan lost to us in Iraq.

Army PFC Jeffrey A. Avery was just 19 years old when he was lost to this life late last month in Muqadadiyah, Iraq.

Jeffrey attended Coronado High School in 2005 and went on to attend Pikes Peak Community College, where he was studying criminal justice with the hopes of becoming a police officer. He enjoyed the outdoors and would spend his summers in California with his grandparents.

But instead of these pursuits, Jeffrey decided to answer his Nation's call.

In Iraq, Specialist Avery served as a military police officer, training for his future. At the time he was killed, he was manning a checkpoint, helping to keep others safe from harm.

President John F. Kennedy once said, "Every area of trouble gives out a ray of hope, and the one unchangeable certainty is that nothing is certain or unchangeable."

Private First Class Avery embodied this hope with his service to our Nation. He chose to put himself into the area of trouble and to assume the responsibility of hope for millions of Iraqis and Americans.

He will be missed by all those around him, and he and his family will remain in our prayers.

CORPORAL CHRISTOPHER DEGIOVINE

Mr. President, I wish to take a moment to remember a fallen Marine Cpl