

families, creating a federal price gouging law is not the answer. The authority already exists for investigations into price gouging, and I am concerned that price gouging is simply a code word for “price controls.” Such a policy failed in the past and will fail in the future.

I also have concerns about the sections of the legislation that increase corporate average fuel economy standards, and I have concerns that this bill does nothing to address our lack of domestic energy production in areas where production is possible and environmentally responsible.

We are in a situation where our Nation's energy supply does not meet our Nation's energy demand, and, while we must work to reduce our consumption, we should also work to produce as much energy domestically as is possible.

Mr. President, I yield the floor.

THE ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

MR. CORKER. Mr. President, I rise today in support of America's energy security, and I wish to speak a moment about the bill that is before us and talk about some of the pluses it brings into our debate and also talk about some additions I think are very necessary.

I am very excited that the Energy Committee, which I am on, has passed out to this body a bill that talks about increasing the ability of our country to rely upon alternative fuels. I think we have set some very good goals in that area. I believe that is an excellent start to cause us to be less dependent on petroleum, to be far more dependent on biofuels in our country.

I know the State of Tennessee, which I proudly represent, will be a big part of making sure that happens. As a matter of fact, our State is working to make sure we are a substantial part of our country's goal in meeting these objectives.

I know cellulosic research is taking place in Tennessee and throughout the country, which will benefit all Americans in the process, as we take the pressure off corn-based ethanol, which is a big part of what we are doing in our country. I am so thrilled for the corn farmers and others across America who are playing a part in our energy future, but I know that cellulosic is going to be a big part of what we need to do to even increase our country's ability to produce alternative fuels.

I also know this bill we are contemplating does a great deal to focus on carbon capture and storage. It also allows our country to actually assess the various caverns throughout our country to really look at how much storage capacity our country has as it relates to storing CO<sub>2</sub> emissions in order to make sure we do no further damage to our environment.

I know this bill also really focuses on energy efficiency standards—something all Americans need to embrace.

Certainly, the Federal Government needs to be a leader in that area, and this bill certainly contemplates that.

But let me say this: In a rush to do this—and I am, again, thrilled we have a bipartisan effort underway—I think we need not lose sight of the fact that overall our goal should be to certainly make sure whatever we do with energy policy raises the gross domestic product of our country over time, so these young people who are here as pages today have a future that is even brighter than it is today, that what we do certainly causes our country to have energy security so we are not dependent on regimes around the world that are not friendly to our country, and that whatever we do causes us to be environmental stewards, that we do not damage our country.

I want to tell you that I had the great privilege of spending time in Europe 2 weeks ago, looking at some of the energy policies some of our friends and allies have put in place. While on one hand I admire greatly their effort to do less damage to the environment, sometimes there are adverse consequences to what occurs. I think what we have seen over the short term is a greater dependence on fuel sources that will cause them to be in some ways more dependent on regimes that could not in some ways be friendly to their future.

I think we need to keep these things in balance. So while we look at alternative fuels that are going to be friendly to our environment and cause us to be less dependent on those that are not, I think we ought to also focus heavily, in this bill, on increased production. Here in America, we need to do our best to boost fuel supply by increased production. We need to increase our refining capacity. We really have not had major increases in refining capacity in this country since the 1970s. There are additions that are taking place.

I know many people are talking about the high price of gasoline. Certainly, one of the reasons for that is our country has a limited ability to actually refine petroleum in a way we can use it in our vehicles. That is something we as a country need to aggressively pursue.

The other thing we need to do in this bill—and I plan to offer an amendment to deal with this issue. In some ways, in this bill, in focusing on alternative fuels, we are trying to pick winners and losers. We are saying certain types of ethanol are the types of alternative fuels we need to be pursuing and those only. What I would like to do is add—and what I will do through an amendment, and hopefully, it will pass this body—is to cause the Senate to actually set standards, standards that cause fuels to be environmentally friendly, to emit less carbon, to emit less other types of pollutants, and at the same time be fuel efficient, to provide the amount of energy, if you will, that really meets the standards these

other fuels do. So we hope to broaden that definition so the Senate itself is not defining specific fuels.

We have tremendous capabilities in our country through entrepreneurship. We have tremendous capabilities through coal-to-liquid technology that we can do in an environmentally friendly way. We have other types of technologies that are being developed. I think we as a country should set goals and standards and let entrepreneurs and the business community help fill the void to cause our country to be energy secure, to cause our country to help grow the GDP, and to cause our country to make sure what we do causes us to be environmentally friendly.

So we will be putting forth that amendment. I hope my colleagues will join me in helping us broaden these definitions so we can harness the very best we have in our country.

I yield my time.

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#### CONCLUSION OF MORNING BUSINESS

THE PRESIDING OFFICER (Mrs. McCASKILL). Morning business is closed.

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#### CREATING LONG-TERM ENERGY ALTERNATIVES FOR THE NATION ACT OF 2007

THE PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 6, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (H.R. 6) to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes.

Pending:

Reid amendment No. 1502, in the nature of a substitute.

Inhofe amendment No. 1505 (to amendment No. 1502), to improve domestic fuels security.

AMENDMENT NO. 1505

THE PRESIDING OFFICER. Under the previous order, the time until 11:45 a.m. shall be for debate on amendment No. 1505, offered by the Senator from Oklahoma, Mr. INHOFE, with the time equally divided and controlled between the Senator from Oklahoma, Mr. INHOFE, and the Senator from California, Mrs. BOXER, or their designees.

Who yields time?

MR. ENZI. Madam President, on behalf of Senator INHOFE, I yield myself 10 minutes.

THE PRESIDING OFFICER. The Senator from Wyoming is recognized for 10 minutes.

MR. ENZI. Madam President, I rise to talk about the Inhofe amendment, which would increase the possibility that we could have increased refining in the United States. Refining of oil

produces more gasoline, and more gasoline will bring down the price of gasoline.

We can't have a serious discussion about energy without discussing the fact that it has been more than 30 years since the last oil refinery was built in the United States. There has to be a reason for that. Although a number of our Nation's refiners have worked on expansions, they simply can't keep up with the growing demand.

It is clear that something is wrong with a permitting process when it is so burdensome it prevents the construction of that which is so vital to our Nation. Because energy fuels our economy, we need to stop with the rhetoric and take some real action.

I have to tell my colleagues that I have faith in America. I have faith in the young people of America. I have faith in the inventors in America, who are of all ages. I am aware of a company in Sheridan, WY, named Big Horn Valve. They have been working on some refinery problems, including leaks in refineries, and they came up with a valve that doesn't have a knob that you turn on the outside of the pipe. Everything is internal in the pipe, and it has a special venturi nozzle in there that doesn't take up the entire inside of the pipe but can still flow as much oil as a flow pipe. The way it works is to turn it off magnetically; it twists and the two spots don't line up. Since it is completely internal to the pipe, there can be no leakage. It is just one small solution to some of the problems that can be solved.

I would mention that with the National Institutes of Health, we have faith in the inventiveness of people. We doubled the budget for research for the National Institutes of Health. I can tell my colleagues that today we have 654 cancer treatments in clinical trials. That is what happens when we incentivize people to come up with solutions.

We need to do that with energy. We are in the midst of a huge energy crisis. China recognizes it. China is buying every available fuel source they can get their hands on. My colleagues probably saw where they tried to buy a company in California. You have probably seen where they bought supplies in Canada. They know the future of the economy is requiring—requiring—energy, particularly fuel to transport things.

Senator INHOFE's amendment recognizes this fact, and it improves the permitting process for new refineries. It establishes an opt-in program for State Governors, requiring the Environmental Protection Agency to coordinate all necessary permits for construction or expansion of refineries. It provides participating States with technical and financial resources to assist in permitting, and it establishes deadlines for permit approval.

These vital changes will make it possible for new refineries to finally be

built. They make those changes in a way that is environmentally sound. Opponents of this legislation suggest that is not the case and that environmental laws will be pushed aside. Those claims are false. The Environmental Council of States, which represents State departments of environmental quality, clearly stated in a letter that "the Gas PRICE Act does not weaken environmental laws." That act is the one that is in Senator INHOFE's amendment.

In addition to this, the council, along with the National Association of Counties, acknowledged that the Gas PRICE Act streamlining provisions are in compliance with State and local governments.

If this were the only positive section of the Gas PRICE Act, it would be worthy of our support, but this legislation also addresses a second aspect that I believe is missing from the underlying bill. That aspect is the incentivizing of coal-to-liquids technologies.

As drafted, the legislation does nothing to advance the development of coal-to-liquids plants. That is the overall bill, not the amendment. As a member of the Senate Energy Committee, Senator Craig Thomas and JIM BUNNING worked hard to move this issue forward and offered an amendment during the committee's consideration of the biofuels legislation to set a blending requirement for coal-derived fuels at 21 billion gallons for the year 2022. Is it possible? Absolutely. Unfortunately, this amendment failed by one vote, and so it wasn't included in the bill.

The Gas PRICE Act addresses this vital issue by requiring the Environmental Protection Agency to establish a demonstration to assess the use of Fischer-Tropsch, diesel and jet fuel, as an emission control strategy. Furthermore, it provides incentives to the Economic Development Administration to build coal-to-liquid refineries and commercial scale cellulosic ethanol refineries at BRAC sites and on Indian land.

These important steps will help jump-start an industry that will help reduce our Nation's dependence on foreign energy barons. Coal is our Nation's most abundant source. As I mentioned earlier, we have more Btu's in my county in Wyoming alone than all of Saudi Arabia. Using coal to produce diesel and jet fuel will take our energy security out of the hands of Hugo Chavez in Venezuela and others who seek to harm our economic interests and put it back in the hands of American citizens.

I am pleased Senator INHOFE has offered this important amendment. It addresses two areas in which the legislation could be improved, and I urge my colleagues to support this approach.

The two areas are to make it possible to actually expand the number of refineries in the United States, and there are places in the United States where those can be built, and safely built. I also think there can be some inventions, such as I mentioned with Big

Horn Valve, that will make the refining process much more capable and also environmentally better. But unless we can get rid of that single construction of refineries, we are going to have shortages of gas twice a year immediately, and more often in the future. I do have a lot of confidence that there can be not only coal to liquids, but coal to liquids with a little bit of invention can be done even better than other kinds.

We need to worry about the natural gas supply for this country. A lot of States are placing a huge emphasis on natural gas as the cleanest fuel, and it is. But there is only one State that is producing more natural gas than in previous years, and that is the State of Wyoming. That will not go on forever. If we use it to produce electricity, we are going to run out of natural gas. So those people across the country who are using natural gas to heat their homes should be particularly concerned.

I know one company was looking at having some peaking power for Rapid City, SD, and they were going to do it with natural gas. But the board of directors, as they looked at it, found out that the time they needed the peaking power was in the middle of winter when it was cold because people there use some electricity to heat with. But what they discovered was that the amount of natural gas to provide peaking power in winter in Rapid City would be an equivalent amount of gas to what the whole city of Rapid City uses to heat homes during that same cold spell.

A lot of natural gas has to be used if it is used to produce electricity. We can invent better ways to do that. We can come up with coal to liquids. We can increase our refineries. I hope we will find ways to encourage that rather than discourage that if we are going to truly have an energy policy.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ENZI. Madam President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. BOXER. Madam President, could the Chair give us the parliamentary situation this morning?

The PRESIDING OFFICER. The Senate is currently in a quorum call being equally divided between the two sides.

Mrs. BOXER. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. BOXER. Madam President, it is my understanding now there is how much time remaining until the vote on the Inhofe amendment?

**THE PRESIDING OFFICER.** The vote is at 11:45. The Senator's side has approximately 30 minutes remaining. The Republican side has approximately 21 minutes remaining.

**Mrs. BOXER.** Madam President, I rise to debate this Inhofe amendment and, in the strongest possible terms, make a few points to my colleagues.

When you strip it all away, this amendment is a giveaway—a giveaway to energy companies at a time when they have never had it so good, at a time when they have never made so much money. The CEOs are making \$37 million a year; \$16 million a year; Exxon, a \$39 billion profit—billion-dollar profit; Shell, a \$25 billion profit; BP, a \$22 billion profit; Conoco-Phillips, \$15.6 billion; and Chevron, over \$17 billion. The CEO, Lee Raymond, of ExxonMobile, received a \$400 million severance gift. Let me repeat that. One man received a \$400 million severance gift, and the Inhofe amendment wants to give these people more. The Inhofe amendment wants to give these people more, even after, in the 2005 Energy bill, they already got their streamlined provisions. They already got what they needed.

Let me tell my colleagues what the Inhofe amendment does. It gives to those who have, and it gives to energy companies free public land—public land that belongs to the taxpayers of America. It gives them preference to get free public lands. Not only do they get the land free, but in the case of Indian land, they get 110 percent of their costs reimbursed to them. This is what we are doing in an Energy bill that is supposed to be good to consumers.

The underlying bill has many provisions in it. All those provisions are good for the American people, including fuel economy for our cars, solar energy on the building of the Department of Energy. We hope we will have a modest model project at the Capitol power-plant showing that we can, in fact, reduce the carbon emissions of coal. These are all bipartisan amendments.

Senator INHOFE tried to get a similar amendment to the one he is now proposing through the committee. When he controlled the gavel, he couldn't even get it out of the committee then, let alone now. So it gives to the oil companies, when they were taken care of in the Energy bill of 2005.

I am going to tell my colleagues what we did for them in 2005. The 2005 Energy bill has a provision, which is section 392, that allows States to request EPA to work with them and enter into an agreement under which EPA and the State will identify steps, including timelines to streamline the consideration of Federal and State environmental permits for a new refinery. Interestingly, even though this legislation exists, EPA said before my committee in October—actually, it was before Senator INHOFE's committee because he was chair at that time—that no State had asked EPA to use that provision of the law. So they got a

streamlined procedure in 2005. They never took advantage of it. Now, Senator INHOFE is giving them more streamlining procedures, and he is exempting these energy companies from every single environmental law that was signed into law by Republican Presidents and Democratic Presidents.

Let me tell my colleagues the laws that are waived in the Inhofe amendment. I say to the American people: Listen to this because if ever we have unanimity about what is important to do for the health of our people, it is when Republican and Democratic Members of the Congress and Presidents sign these laws and pass these laws: The Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, the National Environmental Policy Act, the Safe Drinking Water Act.

Those are a few examples of Federal laws which are cast asunder by this amendment. Who gets the benefit? Not the American Lung Association, which might, in fact, put in substantial precautions that the air is clean, but they give it to the most polluting industries in America: the refining and oil industries.

Senator INHOFE will say: Oh, we let the States pass these laws. We say they have to pass substantially equivalent laws. That is not defined. Why on Earth waive the laws that are the cornerstone of America's environmental protection under both Republican and Democratic Presidents? Why waive those laws? Do you think that little of America's families?

In my State, 9,900 people die every year from lung-related disease. And let's talk about some of the chemicals these refineries give off.

In 2005, refineries emitted over 68 million pounds of toxic chemicals, 3.8 million pounds of known cancer-causing substances, 2.5 million pounds of toxins that damage the reproductive system, and 6.8 million pounds of toxins that harm the development of children.

In California, communities that border refineries and chemical plants have high concentrations of childhood asthma. We should be working to make the air cleaner, not worse.

Let me review what I have said so far. This amendment has a name, and I am going to read you the name of this amendment. The title of this amendment is the Gas Petroleum Refinery Improvement and Community Empowerment Act. I ask, how is a community empowered by this amendment? The idea is to allow these new energy plants to go on Federal land that has been surplus. In California, we have had a lot of these lands, and, by the way, some of them have been redeveloped in the most wonderful way. Everybody is equal. There are no winners and losers. Here we are picking a winner, and the winner is one of the most polluting industries in America. They get the land free, and the community is left without anything. The Federal

Government gets no money. That was the idea behind the Surplus Federal Lands Act. The Federal Government should get some money from the private sector. Oh, no, they get the land free, these energy companies. That is because they are hurting so much. They are hurting so much that we are going to give them the land free.

On Indian land, they get back 110 percent of their investment, so they actually make money without a penny of cost. Whoever votes for this amendment is voting for a giveaway of taxpayers' dollars. Whoever votes for this amendment is voting for an open-ended cost that isn't even stated in the bill.

Look at the last page of the bill, "such funds as may be required." We know some of these energy plants will cost \$4 billion for one plant. Let's say there are 100 pieces of Federal land that could be redeveloped. You do the math. We are busting the budget. You think the Iraq war costs a lot? Take a look at this. And who does the money go to? The same people who are charging us in California close to \$4 a gallon for gas.

So you can stand up here and talk about it all you want, but the bottom line is, this is, in many ways, a socialistic bill, socialism: give away land to big business, give them the cost of the building, in some cases 110 percent reimbursement, waive all of the Clean Air Act, the Clean Water Act that protects the health and safety of our people, and who are the most vulnerable? Our moms and dads, our grandmas and grandpas, our children. Just "Katy bar the door" with the money. No problem. Oh, it is as if we are somehow in the black today when we have deep deficits today.

What an amendment to bring to the floor from my friend—my good friend—Senator INHOFE. A similar amendment went down in the committee when he had the gavel.

I say it is economic blackmail for communities that are losing a military base. It chooses an energy project over any other project they might want. I say to my colleagues, if they look at what these refiners are making, how well they are doing, we don't need to give them any more incentives.

I want to tell my colleagues a story about my State. Shell Oil owned a refinery in Bakersfield, CA. We all supported that refinery. It made 2 percent of the gasoline for the cars in California. Shell Oil announced they were shutting down the refinery. We begged them not to shut it down. Here is what they said to us in writing: We are losing money, and we are shutting it down because we can't find a buyer.

Lies, those were lies. How do I know that? Because we were fortunate enough to have an attorney general of California, at that time it was Bill Loker, who saw the books. The refinery was making a lot of money. We believe Shell Oil wanted to shut it down because they wanted to squeeze the supply—squeeze the supply. Guess what

else. When we caught them on that, they said: Oh, we are sorry, we made a mistake; we still can't sell the refinery.

We found buyers for the refinery. The attorney general made sure they advertised. They sold that refinery, and that refinery is up and running.

So we are going to give away to refineries, to energy companies in this bill—this amendment is all they could ever dream for. They don't have to pay attention to the Clean Air Act, the Clean Water Act, or the Safe Drinking Water Act. If my colleagues vote for this amendment, they are voting to open the checkbook to hundreds and hundreds of billions of dollars. It could be as high as a trillion dollars. Who knows how many of these people will take advantage of this opportunity.

What do we get? We get sick kids because this will waive all these environmental protections. And they are giving away to those who have.

I want to read again the amount of money some of these executives have made. Valero Energy, the top executive in 2005, William Greehey, took home \$95.2 million. This is one person, folks—\$95.2 million. Occidental Petroleum chief Irani took home \$81 million in 2006. Oh, these poor people. Their businesses aren't doing good enough. We have to give them more. We have to make life easier for them.

What about the people who pay at the pump? That is why the underlying bill is so good because it has MARIA CANTWELL's antigouging law. By the way, the President has said he doesn't like the antigouging law. He might have to veto this entire bill. That shows you where people stand around here. Republicans want to give away to the oil companies, to the refiners, to the energy companies, and take away clean air protections from the people, take away land from the taxpayers, taxpayers' money to fund these projects. Count me out, and I hope count out the vast majority of the people here.

You can put any face on it. One thing that gets me is how the Republican side is supposed to be so fiscally responsible. Let's look at the last page of this amendment. They will tell you now how much they are going to pay for this bill. It is on the last page of this amendment. Here it is: "Subtitle E—Authorization of Appropriations. There are authorized to be appropriated such sums as are necessary to carry out this" amendment.

What does that mean? I already told my colleagues it costs \$4 billion to build one of these energy plants—just one. It is 100 percent Federal pay on Indian land plus 10 percent on top of it, and 88 percent is the minimum number on Federal land that is not Indian land. You get the land, you get the cost back to build the plant, you get to waive all the environmental laws, and you get a streamlined process, which they already have the ability to get under the 2005 Energy bill.

This is a big kiss to the oil companies and the energy companies. This is a major hug. It would be better if we took this up on Valentine's Day. Well, count me out. I hope there is a resounding "no." We don't know the cost. It is not told in this amendment. We don't know the impact on the people. It certainly is not told in this amendment. It picks winners and losers on Federal land. It doesn't protect our people.

Madam President, I yield the floor and reserve the remainder of my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. BOXER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. BOXER. I ask that the time be equally divided on that quorum call.

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

The Senator from South Dakota.

Mr. THUNE. We are not in a quorum call?

The PRESIDING OFFICER. We are not in a quorum call.

Mr. THUNE. Madam President, I wish to speak, if I may, to the amendment offered by my colleague from Oklahoma, Senator INHOFE. It is important that in this whole debate on the bill that we talk about the solutions that are important to this country's independence today on foreign energy and the need to get away from that and become energy independent and lessen our dependence on foreign energy and that we also talk about actions we can take that will lower energy costs for people in this country.

I appreciate the fact that the underlying bill has a number of provisions in it that are good. There are provisions in the bill I will be supporting. I have a series of amendments I will be offering that will improve the availability of renewable energy in this country.

I also wish to speak in support of amendment No. 1505 because I believe fundamentally it would greatly improve our Nation's stagnant oil refining industry, boost the development of coal-to-liquid technology, and accelerate the development of the next generation of biofuels.

As to the underlying amendment talked about by my colleague from California, first, there are no mandates in this bill. These are things the State can do. They can opt into this. Obviously, the incentives in this amendment do not go to oil companies, they go to State and local governments.

Frankly, this is an important point, that this is directed to areas that have been affected by base closures and also Indian reservations, which in my State are desperately in need of economic development. This is the type of economic development that will fit very well in a lot of places in South Dakota that qualify.

It is important this amendment be adopted. It does address a critical need in this country, and that is for more refinery capacity and the need in a lot of places, areas affected by base closure and Indian reservations, for economic development.

There are a lot of items this amendment would accomplish. It is important to point out that over the past 30 years, the petroleum industry has not added a single new oil refinery in the United States. The American public, I think, would find it startling that the largest petroleum consumer in the world hasn't seen one new refinery in the past three decades, which has created a devastating bottleneck in the delivery of transportation fuels to American consumers.

Fortunately, the Senate has an opportunity through this amendment to address that issue which is squeezing very hard the wallets of hard-working Americans across the country.

Amendment No. 1505, which is pending before the Senate, would enact important measures to boost domestic refining capacity and provide certainty for the industry and the public.

First, the amendment would set deadlines for refinery permit approval. For too long, proposed refinery projects have met slow deaths due to endless delays in the bureaucratic permit process.

Second, this amendment would provide States with much needed technical and financial resources to assist in refinery permitting. The process of refinery siting is time-consuming, complicated, and financially straining on State budgets that are already stretched thin.

This amendment also protects States rights by giving individual States the opportunity, as I said earlier, to opt in to a refinery permitting program. Contrary to what the opponents are saying, there are no mandates in this legislation. Participating States can voluntarily request the Environmental Protection Agency to coordinate all permits for construction or expansion of a refinery.

The importance of expanding refinery capacity to provide affordable and reliable supplies of transportation fuel cannot be overstated. I want to show a chart of something that was printed in *BusinessWeek* on May 3, 2007. This is what they said:

Because of high costs and a lack of public support, refiners haven't built an entirely new plant since 1976. While they have been expanding existing plants, the industry isn't keeping pace with growing demand.

I would also like to show another chart of something that was printed recently in the *Wall Street Journal*, and it said this:

The causes of higher gas prices include \$65 per barrel oil caused by rising global demand and geopolitical tensions; a record high U.S. gasoline consumption of 380 million gallons a day; and refined gasoline shortages caused by Congressional rules and mandates.

Now, my constituents know this problem firsthand. Inadequate refining

capacity has a real impact at the local level, and I will give just a little anecdotal evidence here from South Dakota.

For the past month and a half, several key gasoline terminals in my home State of South Dakota were literally out of gasoline for multiple days at a time. Widespread outages were reportedly caused by limited supplies due to refinery shutdowns and routine repairs in other parts of the country. The ripple effects of this gasoline supply disruption were felt throughout the entire eastern part of my State. As the pipes ran dry and terminals emptied, gasoline wholesalers were forced to travel great distances and manage logistical bottlenecks at the few pipeline terminals with available refined product. In the meantime, gasoline prices soared at the retail level across South Dakota, and consumers in my State were forced to pay more at the pump.

The recent events in South Dakota are a prime example of the need to increase refining capacity in the United States. These events also underscore the need to move beyond petroleum for our transportation fuel needs.

The amendment offered by Senator INHOFE moves our country toward greater energy independence by providing Economic Development Administration grants for infrastructure improvements to accommodate cellulosic ethanol refineries at Base Closure and Realignment Commission sites and Indian lands.

As my fellow Senators are all well aware, the underlying bill includes a renewable fuels standard of 36 billion gallons by the year 2022. In order to meet this goal, we need to enact policies that dramatically increase the development and production of cellulosic ethanol.

By providing EDA grants that support cellulosic ethanol production in communities in need of economic development, amendment 1505 provides targeted rural and economic development and places our biofuels industry on course to reach the strengthened renewable fuels standard.

In addition to the EDA grants for cellulosic ethanol refinery development, this amendment includes a first-of-its-kind provision that may greatly enhance private sector investment in renewable fuels. This amendment will begin to assess our Nation's renewable reserves of biomass cellulosic ethanol feedstocks so that the public and energy companies have a realistic understanding of total U.S. renewable reserves. Energy companies' stock prices rise and fall depending on their declared proven reserves. This process, which has been in place since 1978, provides tremendous incentives for exploration, investment, and development of new sources of traditional hydrocarbons.

This straightforward amendment builds upon these proven market incentives by directing the Securities and

Exchange Commission to research and report to Congress on the establishment of a renewable reserves classification system for cellulosic biofuels feedstocks in the United States.

The idea of a renewable reserves classification system was first discussed during an Agriculture Energy Subcommittee hearing I held in Brookings, SD, earlier this year. An expert witness from Ceres, Inc., an industry leader in the development of transgenic switchgrass seed for cellulosic ethanol production, testified that a standard means for measuring renewable reserves on a per-barrel-of-oil basis would greatly incentivize private sector investment in the next generation of advanced biofuels.

The President of Ceres, Inc., Richard Hamilton, describes the renewable classification system as:

An independent metric by which energy companies, and the market, may measure renewable reserves in barrel-of-oil equivalents just as they measure proved reserves today.

He continues by stating:

A renewable reserves classification system could well be the catalyst America's traditional providers of liquid transportation fuels require to invest in cellulosic biofuels technology and may be the Federal Government's least expensive way to hurry the cellulosic biofuels industry to maturity.

Certainly a proposal that could result in such a dramatic advancement in our biofuels industry is worthy of consideration by the Securities and Exchange Commission and is certainly worthy for inclusion in a bill that calls for a historic increase in renewable fuels production. If we are serious about advanced biofuels production, we must consider effective approaches, such as the amendment offered today by my colleague from Oklahoma, that would boost the production of advanced biofuels.

This amendment is important because, as I said earlier, it addresses a critical problem and shortage that we have in America today; that is, a lack of refinery capacity. We need more capacity. Now, frankly, it would be great if the folks I represent in South Dakota could get to their destinations by walking or riding bikes. Unfortunately, we have long distances to cover in my State. We have to drive automobiles, and we have to use fuel to power our automobiles. When you have a refinery problem like we have in America today, that limits the amount of gasoline that can be shipped through the pipeline to destinations in my State, and that drives the cost of gasoline higher and higher. Because of that shortage and because the wholesalers have to go to distant places to get it, it adds to the cost of our economy, and that affects the day-in and day-out lives of the people in my State of South Dakota and across this country who have to get to their destinations, whether it is to work or whether it is travel for recreation. The reality is

that we cannot continue to abide \$3.50 or \$4 a gallon for gasoline, and we need

to address what is causing that problem.

As I said earlier, I will be offering a number of amendments that will increase and advance the production of biofuels energy in this country because I believe so profoundly in its importance as part of our energy supply. But this particular amendment is critical as well because it addresses a fundamental problem that exists in America today; that is, a lack of capacity, refinery capacity, to make sure enough gasoline is making it to its destination, to places even as remote as South Dakota, so that the people who drive across my State can have access to affordable fuel to make sure they can get to the places they need to get to, and that the lack of affordable fuel does not choke our economy by continuing to force us to pay these exorbitant prices for gasoline.

So I support the amendment of the Senator from Oklahoma, amendment No. 1505, and I urge my colleagues here in the Senate to do so as well. It is important for a lot of reasons—because it brings economic development to areas that really need economic development, those areas which have been affected by base closures and Indian reservations—and because my State desperately needs that form of economic development and job creation. So I urge my colleagues to support this amendment.

Madam President, I yield the floor.

Mr. INHOFE. Madam President, I would inquire as to the time remaining on both sides, please.

The PRESIDING OFFICER. The Senator has approximately 9 minutes remaining, and the Democratic side has approximately 13 minutes remaining.

Mr. INHOFE. Madam President, I would like to go ahead and be recognized for a few minutes, and I would ask that the Chair stop me when there is 5 minutes remaining. I would like to remind the other side that our protocol or system is that the author of the amendment should conclude debate, so I would like to have the last 5 minutes.

First of all, I look at this and I listen to the arguments from the junior Senator from California and I hear the same things over and over again. Last night, we debated this at some length. Every time, she would make a statement, and we would respond to the statement.

Let me just put a chart up here. I think it is important for people to realize there are some choices. We are not willing to add to refinery capacity here in the United States. We have here the refining capacity and the growth of that refining capacity from other countries. We have Iran, Iraq, Libya, Nigeria, Russia, Saudi Arabia, Sudan, and Venezuela. It is bad enough we are dependent upon foreign sources for our ability to run this machine we call America, but these are not the kinds of countries you want to depend on. I am sure Chavez is not real excited about

helping us refine our oil into something that can be used for transportation.

I would like to cover a couple of the things the junior Senator from California has said, and I know what is going to happen: As soon as I do this, she will come back and say the same things over again, because we have heard these same arguments.

First of all, she says it is a disastrous amendment because it is a taxpayer giveaway to the oil companies; we don't have to give away the store to the oil companies. Well, the fact is that no money goes to any oil companies or, in fact, to any corporations in any way whatsoever. The only funding of the bill is financial and technical resources to a State or tribal department of environmental quality or funds to an economically distressed community affected by BRAC.

Let us keep in mind, when we talk about BRAC and Indian tribes, we have a lot of BRAC sites, and I can remember Members standing on the floor saying, during the base realignment and closure process: They are going to be closing some of the military installations in my State. Well, what is a logical thing you can do to replace the economic loss of a closed facility? It is to put—if we can encourage the local community to do it—a refinery there. You don't have to clean it up to the same standards you would have to clean it up otherwise. It is a logical thing. So those people who want coal-to-liquids and commercial-scale cellulosic ethanol facilities can have them.

It does authorize the EPA to initiate a new emissions control demonstration project, but it doesn't offer the oil companies anything.

The lack of sufficient refinery capacity in the United States is why we are experiencing high prices today. I think it is inconceivable that any Member of this body would come in and deny us, the United States, the right to expand our refinery capacity to do something about the supply problem we have and then turn around and say: Well, we don't want to be dependent on foreign countries for our ability to run this machine called America.

In this bill, in the underlying Energy bill, without this amendment, we don't really address the problem today. We talk about the future, and we talk about conservation. This is good, and we want to do this. We talk about standards for automobiles and all that. But people in my State of Oklahoma want to do something about the \$3 a gallon for gasoline right now that is there.

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. INHOFE. With that, I retain the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. INHOFE. Madam President, it is my understanding there will be equal time taken from each side in this case, so I would invite the majority to come in and make their remarks and would appreciate it; otherwise, I would be denied my opportunity to close debate on my amendment.

In the meantime, I ask unanimous consent that during the quorum call, the time be taken from the other side.

The PRESIDING OFFICER. In my role as a Senator, I will object.

Mr. INHOFE. Madam President, I understand what is customary; I am just saying that we are entitled to close debate.

Apparently, the Senator from California is not going to allow me to close debate. So let me just say for a few minutes here that I was going to go through every argument the Senator from California has made.

For example, first of all, I already did the first one where she talks about subsidizing oil companies. No corporation in America is being subsidized by this. She said also, we don't want to become a China, where they do not care about the people and how they suffer. We don't want to go there. Politicians are prone to hyperbole, but the junior Senator from California has reached a new level. Nowhere in this bill or any other I would consider would I seek to make the United States similar to China.

By the way, talking about China, one of the problems we are having right now is that while we do not have the refining capacity, they do. While we are not building generating plants, they are. While we have gone 15 years without adding a new coal-fired generating plant in the United States, China is cranking out one every 3 days.

The argument that was made was American families who want their health protected do not want us to waive every single environmental law that protects the quality of the air they breathe inside their bodies. They also do not want to waive any single environmental law. We are not doing that. We are not waiving any environmental laws with this bill.

Let me tell you something that is serious. I warn people right now, this is going to be considered to be maybe the most significant vote in the 2008 elections. For people to say we do not want America to have refining capacity when we have a bill that will allow them to have the refining capacity and increase the supply—the old theory of supply and demand still works—those people who will vote against this will forfeit your right to complain about the dependency on foreign oil. This is going to be a major, maybe the major campaign issue of the 2008 cycle.

I suggest we spent a lot of time on this bill. We do not have any money going to oil companies. We do allow the

EDA to help communities that want to set up refineries in their communities.

Let's keep in mind, this is not just oil refineries. We are talking about oil refineries but also cellulosic biomass refineries, we are talking about coal-to-liquid refineries—all refineries to give us the availability of fuels for the transportation this country needs.

If we do not have that, the price of gas at the pump is going to continue to go up. I suggest this is going to be the critical vote, in terms of energy, for this entire legislative session. It is going to come back to haunt a lot of people in 2008. I know the Democrats are generally much more disciplined than the Republicans are. They will say you have to vote against this amendment, make up things such as you are helping oil companies, which you are not. Whatever the case is, the bottom line is they are going to be taking away our ability to increase the supply of gasoline to run our cars within America. This will be a major issue in the 2008 campaigns. I encourage people to do something about this problem and to vote for the Inhofe amendment expanding our refining capacity.

I yield the floor.

The PRESIDING OFFICER (Mr. CASEY). The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask that I be allowed to use 3 minutes from the time of the Senator from California.

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

Mr. BINGAMAN. Mr. President, I would like to speak briefly against the Inhofe amendment. I do believe there are several substantial problems with it. First of all, the underlying assumption is that the reason we do not have enough refining capacity in this country is we cannot find places to put refineries. That is not the reality. We have had various hearings in the Energy Committee. The companies that are engaged in refining oil into gasoline and other products are not short of places to put those refineries. They look at a whole variety of issues—the economics in particular—to determine whether to build new refineries or expand refining capacity. It is not a failure to have a BRAC military base or a failure to have an Indian reservation they can put these on.

The other thing is location. They need to locate refineries where the pipelines are. They need to locate refineries where the demand is. Clearly, that is not contemplated as part of this as well.

Another part that concerns me greatly is the notion that we would be making grants to support these projects which exceed the cost of the projects. That strikes me as very unusual. In the underlying bill, we do have some lien programs, where the Government will step in and guarantee 80 percent of the loan that is required to build a project, for example. We do not have anything similar to the provisions that are in this bill, which say the Federal share

for an EDA grant, under this program, shall be 80 percent of the project cost, assuming that the project is not on Indian land, and it will be 100 percent of the project cost if it is on Indian land, and, by the way, there can be an additional award in connection with the grant to the recipient of an additional 10 percent on top of that.

How it benefits the American taxpayer to pay 110 percent of the cost of one of these refineries I cannot see. So I think the amendment is flawed in several respects.

Obviously, we all want to see additional refining capacity built. I think what we need to be sure of is that the regulatory regime in place is such that it encourages and provides an incentive for the companies that are in the refining business to build that additional refining capacity. It is not efficient to say we, the Federal Government, are going to finance 100 percent of a project to an Indian tribe and they are going to go into the refining business; or we, the Federal Government, are going to provide 80 percent plus 10 percent, or 88 percent of the cost to some kind of local municipality and they are going to go into the refining business. That is not going to happen.

I urge my colleagues to oppose the amendment.

I yield the floor and reserve the remainder of Senator BOXER's time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. CANTWELL. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

Ms. CANTWELL. Mr. President, I rise to speak against this amendment. I have been listening to the debate. While I think it is very important we move forward in our country on a new energy policy and new direction, I think we must do so in a safe, responsible way. That is, whatever we are doing, we need to keep our environmental laws and processes in place: the Clean Water Act, the Clean Air Act, the Safe Water Act, the Conservation Resource and Recovery Act—all the things that are very important to our country and to our environment.

I think we are hearing a lot about refinery and refinery capacity. It reminds me of the electricity crisis we had in the West, starting in 2000–2001, when everybody blamed it on the fact the environmental laws stopped the ability to produce supply. When all was said and done, we found out it wasn't that; in fact, it was actually the manipulation of supply. So I think it is very important we move forward on new refinery capacity. In fact, in the last several years, there have been almost 140, either built or in the process of being built, new ethanol refineries. So they have had no trouble moving ahead, planning new economic develop-

ment, job creation, and alternative fuel that is going to help deliver competition at the pump for fossil fuel.

In my State, a new biodiesel facility was undertaken and has been in the development stages. I think they will actually be producing and exporting that product sometime this year. They are going to produce 100 million gallons of biodiesel in this next year—20 years, 12 months. That is more capacity of biodiesel than was produced in the whole United States from a variety of sources.

This is a very aggressive effort of building alternative fuel refineries. Let's be honest, God only gave the United States 3 percent of the world's oil reserves, so the notion that somehow we are going to drill our way with fossil fuel to get off this foreign oil addiction is not going to happen. But we do not have to throw out our environmental laws to produce alternative fuel. We are in the process of doing alternative fuel.

If someone wants to meet all the environmental standards and build a new fossil fuel refinery, I am not opposed to that, but I want people to be aware that this is what is at the heart of this amendment, to throw out these environmental values that everybody else in America wants to live by if they want to have economic development. Why should the oil industry receive this particular privilege of waiving environmental statutes, just to have that benefit?

Let's keep in mind that alternative fuels are making those commitments, meeting those environmental standards, and have produced 140—either underway today or in the process, through the permit process—to develop 140 new alternative fuel refineries. That is progress in America and we should keep going. But we do not need this amendment to do that.

I ask unanimous consent that there be 6 minutes equally divided for debate, with Senator INHOFE controlling the final 3 minutes.

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

Mrs. BOXER. Mr. President, I was confused about the time. If I may make a parliamentary inquiry before my time proceeds: I thought I had 9 minutes left on my side; is that not the case?

The PRESIDING OFFICER. The Senator now has 6 minutes.

Mrs. BOXER. I have 6 minutes. OK. I hear you.

Mr. INHOFE. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. It is my understanding there was a unanimous consent agreement giving us 6 minutes equally divided, myself having the last 3; is that correct?

The PRESIDING OFFICER. There is an additional 3 minutes for each side.

Mrs. BOXER. An additional 3, so I would have 6, you would have 3.

Mr. President, yesterday Senator INHOFE repeatedly quoted Senator

FEINSTEIN in a way that suggested she supports his amendment. He kept reiterating a statement she made about streamlining which had nothing to do with this amendment.

Senator FEINSTEIN has told me she opposes the Inhofe amendment. I think it is important that I make that point.

All you have to do is look at the title of this amendment: The Gas Petroleum Refiner Improvement and Community Empowerment Act. You ask yourself: OK. What are we giving the gas petroleum refiners that they do not have right now, that they did not get in the 2005 Energy bill, when they got all kinds of streamlining and everything they wanted and all kinds of money and all kinds of grants and the rest?

This is a giveaway to the people who are gouging us at the pump. That is the first point. Yes, life will improve for gas petroleum refiners, who have it very good.

Now, let's take the second part, the Community Empowerment Act. Your communities and mine and the communities in Washington State and, frankly, in Oklahoma and all over this country, I believe those communities will be hurt by this bill because it says there will be a giveaway to energy companies, a giveaway of taxpayer-owned land, former BRAC land, former federally owned lands that are now in the BRAC procedure.

A lot of communities want to sell these lands. They want to use these lands for economic development. They have plans for these lands, and yet this particular project of building an energy plant would take precedence over local control. It is Federal control from Washington.

I call this a socialistic amendment. Why do I say it is a socialistic amendment? It gives these big companies free land, and then it pays for the building of their energy plants. Can you imagine this? I see the chairman of the Budget Committee coming on the floor. I want to tell him one thing about this amendment because yesterday he talked to us Democrats in the Democratic caucus. I hope he doesn't mind if I say he really told us to use caution on these amendments.

What are they going to cost? Let me read to my friends the last line of this amendment: There are authorized to be appropriated such sums as are necessary to carry out this title and the amendments made. Now, we found out today, by asking the industry, how much one of those plants will cost.

The plant on Indian land—I know my friend is interested in that—would be reimbursed or given or paid for 110 percent of the cost of the plant in Federal tax dollars, \$4 billion; the cheapest, \$3 billion. That is one plant, not paid for here.

So I call it a socialistic amendment. You get the Federal taxpayer land, and then you get Federal taxpayer money to build your plant. And, by the way, all big environmental laws are waived. How does that help a community, Mr.

President? Picking a winner, telling them that priority has to be given to these sorts of plants, and, by the way, in case communities were concerned that the quality of the air might go down because they are near a refinery, this bill conveniently takes care of that problem by waiving the Clean Air Act, the Safe Drinking Water Act.

They say States can pass equivalent laws. But there is no reason that we should do that in America today. We have one Clean Air Act, we have one Safe Drinking Water Act, we have one Clean Water Act, and there is a reason: Water travels, air travels.

Republican Presidents and Democratic Presidents alike decided—and it really started under Richard Nixon—that we must protect the air and the water. This act gives everything away that taxpayers have, including the protection of clean air, including their funding.

Now, this particular vote is very important for people who care about clean air and clean water. I assume we all do. We all talk about it. We all say it is important. In my home State I lose in excess of 9,000 people every year because of particulate matter. I will not allow—I say this with all humility; it is not a show of power—something to get through this Senate that would, in essence, make the air worse, the drinking water worse. I cannot let this go while taking dollars out of the pockets of hard-working Americans, to give to whom? The biggest energy companies in the country.

Let me read to you what some of these companies made in the last couple of years: Exxon, \$39 billion; Shell, \$25 billion; BP, \$22 billion; Chevron, \$17 billion; ConocoPhillips, \$15.6 billion.

Some of these companies earned 21 percent more than the year before, and, by the way, the year before that they earned 40 percent more.

Let's take a look at what some of the executives have earned. I would ask how much time remains?

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

Mrs. BOXER. Let's not give more to these people who are gouging us at the pump. Vote no on this amendment.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, I understand that we have 3 minutes remaining to close debate on my amendment.

I have a hard time keeping a straight face when the Senator from California suggests I have a socialistic amendment. I would invite anyone who is entertaining any kind of joy in that statement to look at our record over the past many years. It is just humorous.

We have gone through listening to the same thing over and over and over again. We went through this yesterday for hours at a time. The Senator from California talks about subsidizing oil companies. Again, not one cent goes to any oil company. If we want to empower cities and communities to be

able to take care of problems, maybe an economic problem that is due to the fact that they had to close a military base during the base realignment and closing process, we should be in a position to help.

I never stated that Senator FEINSTEIN—with endorsing this bill, she will be a good Democrat and oppose it with her junior Senator. I will say this. She said she recognizes we have a serious problem about having a refining capacity in this country, and about—I will just read it to you from her own press release: Today I urged Governor Schwarzenegger to help streamline the refining permit process in an effort to relieve gas prices in the State.

All right. She says we have to relieve gas prices by streamlining the process. That is exactly what happens in this amendment. We want that to happen. For anyone to suggest that there is anything in here that would hurt the environment, here we have the Environmental Council of States—that is all States—saying there is nothing in here that will hurt the environment. It will actually help the environment.

The Senator also said the Clean Air Act is going to be damaged, when, in fact, the underlying bill has language that would take the fuels system out from under the EPA and the Clean Air Act and put it in the President's power.

So we have all of these letters. Here is another one from Ceres, a big company in California that is a company that needs to have refining capacity. They do not touch oil. It is all cellulosic bioethanol. They want to have this capacity.

So the environmentalists, many of them are very much for this. It is a very strong bill. It goes right back to the initial argument of supply and demand. We have got some good things in this bill that are coming up. It is not affecting today's supply. All of the production in the world is fine, but we are not going to be able to do anything with that production unless we are able to refine it. That is exactly what we are talking about now.

I honestly believe every argument the Senator from California has put up we have responded to over and over and over again. She keeps coming back with the same argument.

I believe anyone who votes against the Inhofe amendment to the Energy bill should forfeit their right to complain about the dependency on foreign oil between now and the next election. I will say this also. I am glad to say this on the Senate floor because this way you cannot say we did not tell you. This is going to be one of the major issues in the upcoming 2008 election as to whether you want to increase our refining capacity to lower the price of gas in the United States of America. This is a chance to do it. I urge you to support the Inhofe amendment to the Energy bill.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

Mr. INHOFE. Mr. President, I ask unanimous consent that Senator CORNYN and Senator HUTCHINSON be added as cosponsors of my amendment.

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

Mr. INHOFE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from South Dakota (Mr. JOHNSON) is necessarily absent,

Mr. LOTT. The following Senators are necessarily absent: the Senator from Oklahoma (Mr. COBURN), the Senator from Nebraska (Mr. HAGEL), and the Senator from Arizona (Mr. McCAIN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 43, nays 52, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—43

Alexander	Dole	McConnell
Allard	Domenici	Murkowski
Bennett	Ensign	Roberts
Bond	Enzi	Sessions
Brownback	Graham	Shelby
Bunning	Grassley	Smith
Burr	Gregg	Specter
Chambliss	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Thune
Corker	Isakson	Vitter
Cornyn	Kyl	Voinovich
Craig	Lott	Warner
Crapo	Lugar	
DeMint	Martinez	

NAYS—52

Akaka	Feingold	Nelson (FL)
Baucus	Feinstein	Nelson (NE)
Bayh	Harkin	Obama
Biden	Inouye	Pryor
Bingaman	Kennedy	Reed
Boxer	Kerry	Reid
Brown	Klobuchar	Rockefeller
Byrd	Kohl	Salazar
Cantwell	Landrieu	Sanders
Cardin	Lautenberg	Schumer
Carper	Leahy	Snowe
Casey	Levin	Stabenow
Clinton	Lieberman	
Collins	Lincoln	Tester
Conrad	McCaskill	Webb
Dodd	Menendez	Whitehouse
Dorgan	Mikulski	Wyden
Durbin	Murray	

NOT VOTING—4

Coburn	Johnson
Hagel	McCain

The amendment (No. 1505) was rejected.

Mrs. BOXER. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

AMENDMENT NO. 1537 TO AMENDMENT NO. 1502

(Purpose: To provide for a renewable portfolio standard)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator BINGAMAN.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. BINGAMAN, proposes an amendment numbered 1537 to amendment No. 1502.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER. The Republican leader.

AMENDMENT NO. 1538 TO AMENDMENT NO. 1537  
(Purpose: To provide for the establishment of a Federal clean portfolio standard)

Mr. MCCONNELL. Mr. President, on behalf of Senator DOMENICI, I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL], for Mr. DOMENICI, for himself, Mr. CRAIG, Mr. BENNETT, Mr. CRAPO, Mr. GRAHAM, and Ms. MURKOWSKI, proposes an amendment numbered 1538 to amendment No. 1537.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Senator REID of Nevada, Senator SALAZAR, and Senator CARDIN be added as cosponsors to my amendment that was recently sent to the desk.

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

Mr. BINGAMAN. Mr. President, I see the Senator from Pennsylvania is in the Chamber. I know he wishes to speak on another matter. I ask him how long he will need to speak, and maybe we could defer to him to make whatever statement he wanted.

The PRESIDING OFFICER. The senior Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I intend to speak on an amendment which has been filed and I thought would be offered at the present time, but Senator KOHL, the principal sponsor, wishes to offer it tomorrow. But I intend to speak on my amendment, and I would like 15 minutes.

Mr. BINGAMAN. Mr. President, I know Senator REED from Rhode Island also would like to speak for 15 minutes on the bill.

Mr. REED. Yes.

Mr. BINGAMAN. Mr. President, why don't we have that be the order then: the Senator from Pennsylvania have 15 minutes on his amendment, which is not pending but which he intends to offer later, and then Senator REED on the bill.

The PRESIDING OFFICER. The Senator from Pennsylvania.

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

AMENDMENT NO. 1519

Mr. President, I have sought recognition to speak on an amendment which has been filed, amendment No. 1519, which has an impressive list of sponsors: Senator KOHL, Senator LEAHY, Senator GRASSLEY, Senator BIDEN, Senator COBURN, Senator FEINGOLD,

Senator SNOWE, Senator DURBIN, Senator BOXER, Senator LIEBERMAN, Senator SCHUMER, Senator SANDERS, and myself.

The thrust of this amendment is to make the OPEC nations—which have conspired to limit production—subject to our antitrust laws. What we have, simply stated, are a group of oil-producing nations, that get together that make agreements to limit production. Inevitably, by limiting the production of oil, and thereby limiting supply, the price goes up. The limited supply of oil is the major contributing factor to high gasoline prices. It is high time we acted on this matter.

The Judiciary Committee has approved this legislation on four occasions, most recently on May 22 of this year. In the 109th Congress, the legislation was passed out of the Judiciary Committee in which I was the chair, and it was included in the Energy Policy Act of 2005, but it did not survive conference.

Senator KOHL and I and the other sponsors intend to ask for a rollcall vote, which I think a substantial number of Senators will vote for the amendment. I hate to predict things in this body, but I think the vote will be substantial, and I think that ought to carry very substantial weight in conference.

The facts on the current price of gasoline are very troublesome. The high price of oil drives up other prices. The statistics are worth noting with particularity. The price of crude oil reached \$65 a barrel yesterday. Americans are paying an average of \$3.06 for a gallon of gasoline. Consumers are paying more for products because American companies are paying more to run their factories, which require the consumption of energy. Consumers are also paying more for products they buy that have been shipped by train or truck from somewhere else. Plane fares, bus tickets, cab fares often include significant fuel surcharges.

Economists have estimates that for every \$10 increase in the price of oil, our economic growth falls by a half a percent. Our economy grew only by 0.6 percent in the first quarter of this year—the slowest growth rate since 2002. I believe a fair amount of that lag in economic growth can be attributed to the high price of oil.

For decades, the OPEC members have conspired to manipulate oil prices through production quotas that limit the number of barrels sold. OPEC again appears to be poised to manipulate oil prices by limiting supply.

The Secretary General of OPEC, Abdullah al-Badri, recently threatened to cut investment in new oil production in response to plans announced by the United States and other Western countries to use more biofuels. He warned that cutting investment in new production would cause oil prices to "go through the roof."

Well, we do not have to tolerate threats of that sort. We have the

wherewithal to deal with this issue in a constructive way through the antitrust laws.

Regrettably, the history of litigation in this field has allowed OPEC nations to avoid antitrust liability by asserting the doctrine of sovereign immunity. In the decision of International Association of Machinists v. OPEC, the U.S. District Court for the Central District of California held that OPEC activity was "governmental activity" rather than "commercial activity" and therefore was not subject to the U.S. antitrust laws.

On appeal, the Ninth Circuit affirmed the district court's dismissal, holding that the "act of state" doctrine precluded the court from exercising jurisdiction in the case. The "act of state" doctrine precludes a federal court from hearing a case that requires it to rule on the legality of the sovereign acts of a foreign nation.

Well, those rulings are matters which can be changed by legislation. The legislation to make this change, I submit, is fundamental and very much in our national interest and ought to be undertaken.

The lawsuits would have to be initiated, under our proposed legislation, by the Department of Justice. As a result, the Administration would provide a check on when to initiate a suit, avoiding diplomatic disputes. But it is a fact we have deferred too long to the practices of Saudi Arabia and practices of the OPEC oil nations out of fear of retribution, and we ought not to kowtow to them anymore.

The possibility of subjecting the OPEC nations to antitrust liability has long been an interest of mine. I wrote to President Clinton on April 11, 2000, urging the administration to file suit in the Federal court under the antitrust laws in an effort to overturn the previous decisions, which I think were wrongly decided.

I ask unanimous consent that the text of this letter be printed in the RECORD at the conclusion of my comments.

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

(See Exhibit 1.)

Mr. SPECTER. Mr. President, then I wrote to President Bush on April 25, 2001, with a similar request, that litigation be initiated by the administration to hold OPEC nations liable under the antitrust laws.

Again, I ask unanimous consent that the text of that letter be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 2.)

Mr. SPECTER. We have the authority to change the laws. We have a responsibility to protect American consumers from these predatory practices, from these conspiracies in restraint of trade, these cartels. I urge my colleagues to take a close look at the legislation.

As I noted earlier, the amendment will be formally offered tomorrow.

I thank the Chair, yield back the remainder of my time, and yield the floor.

## EXHIBIT 1

U.S. SENATE,

Washington, DC, April 11, 2000.

President WILLIAM JEFFERSON CLINTON,  
The White House  
Washington, DC.

DEAR MR. PRESIDENT: In light of the very serious problems caused by the recent increase in oil prices, we know you will share our view that we should explore every possible alternative to stop OPEC and other oil-producing states from entering into agreements to restrict oil production in order to drive up the price of oil.

This conduct is nothing more than an old-fashioned conspiracy in restraint of trade which has long been condemned under U.S. law, and which should be condemned under international law.

After some considerable research, we suggest that serious consideration be given to two potential lawsuits against OPEC and the nations conspiring with it:

(1) A suit in Federal district court under U.S. antitrust law.

(2) A suit in the International Court of Justice at the Hague based, perhaps, upon an advisory opinion under "the general principles of law recognized by civilized nations," which includes prohibiting oil cartels from conspiring to limit production and raise prices.

(1) A suit in Federal district court under U.S. antitrust law.

A case can be made that your Administration can sue OPEC in Federal district court under U.S. antitrust law. OPEC is clearly engaging in a "conspiracy in restraint of trade" in violation of the Sherman Act (15 U.S.C. Sec. 1). The Administration has the power to sue under 15 U.S.C. Sec. 4 for injunctive relief to prevent such collusion.

In addition, the Administration should consider suing OPEC for treble damages under the Clayton Act (15 U.S.C. Sec. 15a), since OPEC's behavior has caused an "injury" to U.S. "property." After all, the U.S. government is a major consumer of petroleum products and must now pay higher prices for these products. In *Reiter v. Sonotone Corp.*, 442 U.S. 330 (1979), the Supreme Court held that the consumers who were direct purchasers of certain hearing aides who alleged that collusion among manufacturers had led to an increase in prices had standing to sue those manufacturers under the Clayton Act since "a consumer deprived of money by reason of allegedly anti-competitive conduct is injured in 'property' within the meaning of [the Clayton Act]."  
Indirect purchasers would appear to be precluded from suit, even in a class action, under *Illinois Brick v. Illinois* 431 U.S. 720 (1977), but this would not bar the United States Government, as a direct purchaser, from having the requisite standing.

One potential obstacle to such a suit is whether the Foreign Sovereign Immunities Act ("FSIA") provides OPEC, a group of sovereign foreign nations, with immunity from suit in U.S. courts. To date, there has been a ruling on this issue in only one case. In *International Association of Machinists v. OPEC*, 477 F. Supp. 553 (1979), the District Court for the Central District of California held that the nations which comprise OPEC were immune from suit in the United States under the FSIA. We believe that this opinion was wrongly decided and that other district courts, including the D.C. District, can and should revisit the issue.

This decision in Int. Assoc. of Machinists turned on the technical issue of whether or

not the nations which comprise OPEC are engaging in "commercial activity" or "governmental activity" when they cooperate to sell their oil. If they are engaging in "governmental activity," then the FSIA shields them from suit in U.S. courts. If, however, these nations are engaging in "commercial activity," then they are subject to suit in the U.S. The California District Court held that OPEC activity is "governmental activity." We disagree. It is certainly a governmental activity for a nation to regulate the extraction of petroleum from its territory by ensuring compliance with zoning, environmental and other regulatory regimes. It is clearly a commercial activity, however, for these nations to sit together and collude to limit their oil production for the sole purpose of increasing prices.

The 9th Circuit affirmed the District Court's ruling in Int. Assoc. of Machinists in 1981 (649 F.2d 1354), but on the basis of an entirely different legal principle. The 9th Circuit held that the Court could not hear this case because of the "act of state" doctrine, which holds that a U.S. court will not adjudicate a politically sensitive dispute which would require the court to judge the legality of the sovereign act of a foreign state.

The 9th Circuit itself acknowledged in its Int. Assoc. of Machinists opinion that "The [act of state] doctrine does not suggest a rigid rule of application," but rather application of the rule will depend on the circumstances of each case. The Court also noted that, "A further consideration is the availability of internationally-accepted legal principles which would render the issues appropriate for judicial disposition." The Court then quotes from the Supreme Court's opinion in *Banco Nacional de Cuba v. Sabbatino*, 376 U.S. 398 (1964):

It should be apparent that the greater the degree of codification or consensus concerning a particular area of international law, the more appropriate it is for the judiciary to render decisions regarding it, since the courts can then focus on the application of an agreed principle to circumstances of fact rather than on the sensitive task of establishing a principle not inconsistent with the national interest or with international justice.

Since the 9th Circuit issued its opinion in 1981, there have been major developments in international law that impact directly on the subject matter at issue. As we discuss in greater detail below, the 1990's have witnessed a significant increase in efforts to seek compliance with basic international norms of behavior through international courts and tribunals. In addition, there is strong evidence of an emerging consensus in international law that price fixing by cartels violates such international norms. Accordingly, a court choosing to apply the act of state doctrine to a dispute with OPEC today may very well reach a different conclusion than the 9th Circuit reached almost twenty years ago.

You should also examine whether the anti-competitive conduct of the international oil cartel is being effectuated by private companies who are subject to the enforcement of U.S. antitrust laws (for example, former state oil companies that have now been privatized) rather than sovereign foreign states. If such private oil companies are determined to in fact be participating in the anticompetitive conduct of the oil cartel, then we would urge that these companies be named as defendants in an antitrust lawsuit in addition to the OPEC members.

(2) A suit in the International Court of Justice at the Hague based upon "the general principles of law recognized by civilized nations," which includes prohibiting oil cartels from conspiring to limit production and raise prices.

In addition to such domestic antitrust actions, we believe you should give serious consideration to bringing a case against OPEC before the International Court of Justice (the "ICJ") at the Hague. You should consider both a direct suit against the conspiring nations as well as a request for an advisory opinion from the Court through the auspices of the U.N. Security Council. The actions of OPEC in restraint of trade violate "the general principles of law recognized by civilized nations." Under Article 38 of the Statute of the ICJ, the Court is required to apply these "general principles" when deciding cases before it.

This would clearly be a cutting-edge lawsuit, making new law at the international level. But there have been exciting developments in recent years which suggest that the ICJ would be willing to move in this direction. In a number of contexts, we have seen a greater respect for and adherence to fundamental international principles and norms by the world community. For example, we have seen the establishment of the International Criminal Court in 1998, the International Criminal Tribunal for Rwanda in 1994, and the International Criminal Tribunal for the former Yugoslavia in 1993. Each of these bodies has been active, handing down numerous indictments and convictions against individuals who have violated fundamental principles of human rights. For example, as of December 1, 1999 the Yugoslavia tribunal alone had handed down 91 public indictments.

Today, adherence to international principles has spread from the tribunals in the Hague to individual nations around the world. Recently, the exiled former dictator of Chad, Hissene Habre, was indicted in Senegal on charges of torture and barbarity stemming from his reign, where he allegedly killed and tortured thousands. This case is similar to the case brought against former Chilean dictator Augusto Pinochet by Spain on the basis of his alleged atrocities in Chile. At the request of the Spanish government, Pinochet was detained in London for months until an English court determined that he was too ill to stand trial.

The emerging scope of international law was demonstrated in an advisory opinion sought by the U.N. General Assembly in 1996 to declare illegal the use or threat to use nuclear weapons. Such an issue would ordinarily be thought beyond the scope of a judicial determination given the doctrines of national sovereignty and the importance of nuclear weapons to the defense of many nations. The ICJ ultimately ruled eight to seven, however, that the use or threat to use nuclear weapons "would generally be contrary to the rules of international law applicable in armed conflict, and in particular the principles and rules of humanitarian law." The fact that this issue was subject to a decision by the ICJ, shows the rapidly expanding horizons of international law.

While these emerging norms of international behavior have tended to focus more on human rights than on economic principles, there is one economic issue on which an international consensus has emerged in recent years—the illegitimacy of price fixing by cartels. For example, on April 27, 1998, the Organization for Economic Cooperation and Development issued an official "Recommendation" that all twenty-nine member nations "ensure that their competition laws effectively halt and deter hard core cartels." The recommendation defines "hard core cartels" as those which, among other things, fix prices or establish output restriction quotas. The Recommendation further instructs member countries "to cooperate with each other in enforcing their laws against such cartels."

On October 9, 1998, eleven Western Hemisphere countries held the first "Antitrust Summit of the Americas" in Panama City, Panama. At the close of the summit, all eleven participants issued a joint communique in which they express their intention "to affirm their commitment to effective enforcement of sound competition laws, particularly in combating illegal price-fixing, bid-rigging, and market allocation." The communique further expresses the intention of these countries to "cooperate with one another . . . to maximize the efficacy and efficiency of the enforcement of each country's competition laws." One of the countries participating in this communique, Venezuela, is a member of OPEC.

The behavior of OPEC and other oil-producing nations in restraint of trade violates U.S. antitrust law and basic international norms, and it is injuring the United States and its citizens in a very real way. Consideration of such legal action could provide an inducement to OPEC and other oil-producing countries to raise production to head off such litigation.

We hope that you will seriously consider judicial action to put an end to such behavior.

ARLEN SPECTER.  
HERB KOHL.  
CHARLES SCHUMER.  
MIKE DEWINE.  
STROM THURMOND.  
JOE BIDEN.

EXHIBIT 2

U.S. SENATE,

Washington, DC, April 25, 2001.

President GEORGE WALKER BUSH,  
The White House,  
Washington, DC.

DEAR MR. PRESIDENT: In light of the energy crisis and the high prices of OPEC oil, we know you will share our view that we must explore every possible alternative to stop OPEC and other oil-producing states from entering into agreements to restrict oil production in order to drive up the price of oil.

This conduct is nothing more than an old-fashioned conspiracy in restraint of trade which has long been condemned under U.S. law, and which should be condemned under international law.

After some research, we suggest that serious consideration be given to two potential lawsuits against OPEC and the nations conspiring with it:

(1) A suit in Federal district court under U.S. antitrust law.

(2) A suit in the International Court of Justice at the Hague based upon "the general principles of law recognized by civilized nations."

(1) A suit in Federal district court under U.S. antitrust law.

A strong case can be made that your Administration can sue OPEC in Federal district court under U.S. antitrust law. OPEC is clearly engaging in a "conspiracy in restraint of trade" in violation of the Sherman Act (15 U.S.C. Sec. 1). The Administration has the power to sue under 15 U.S.C. Sec. 4 for injunctive relief to prevent such collusion.

In addition, the Administration has the power to sue OPEC for treble damages under the Clayton Act (15 U.S.C. Sec. 15a), since OPEC's behavior has caused an "injury" to U.S. "property." After all, the U.S. government is a consumer of petroleum products and must now pay higher prices for these products. In *Reiter v. Sonotone Corp.*, 442 U.S. 330 (1979), the Supreme Court held that the consumers of certain hearing aides who alleged that collusion among manufacturers had led to an increase in prices had standing

to sue those manufacturers under the Clayton Act since "a consumer deprived of money by reason of allegedly anticompetitive conduct is injured in 'property' within the meaning of [the Clayton Act]."

One issue that would be raised by such a suit is whether the Foreign Sovereign Immunities Act ("FSIA") provides OPEC, a group of sovereign foreign nations, with immunity from suit in U.S. courts. To date, only one Federal court, the District Court for the Central District of California, has reviewed this issue. In *International Association of Machinists v. OPEC*, 477 F. Supp 553 (1979), the Court held that the nations which comprise OPEC were immune from suit in the United States under the FSIA. We believe that this opinion was wrongly decided and that other district courts, including the D.C. District, can and should revisit the issue.

This decision in *Int. Assoc. of Machinists* turned on the technical issue of whether or not the nations which comprise OPEC are engaging in "commercial activity" or "governmental activity" when they cooperate to sell their oil. If they are engaging in "governmental activity," then the FSIA shields them from suit in U.S. courts. If, however, these nations are engaging in "commercial activity," then they are subject to suit in the U.S. The California District Court held that OPEC activity is "governmental activity." We disagree. It is certainly a governmental activity for a nation to regulate the extraction of petroleum from its territory by ensuring compliance with zoning, environmental and other regulatory regimes. It is clearly a commercial activity, however, for these nations to sit together and collude to limit their oil production for the sole purpose of increasing prices.

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The 9th Circuit itself acknowledged in its *Int. Assoc. of Machinists* opinion that "The [act of state] doctrine does not suggest a rigid rule of application," but rather application of the rule will depend on the circumstances of each case. The Court also noted that, "A further consideration is the availability of internationally-accepted legal principles which would render the issues appropriate for judicial disposition." The Court then quotes from the Supreme Court's opinion in *Banco National de Cuba v. Sabbatino*, 376 U.S. 398 (1964):

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Since the 9th Circuit issued its opinion in 1981, there have been major developments in international law that impact directly on the subject matter at issue. As we discuss in greater detail below, the 1990's have witnessed a significant increase in efforts to seek compliance with basic international norms of behavior through international courts and tribunals. In addition, there is strong evidence of an emerging consensus in international law that price fixing by cartels violates such international norms. Accordingly, a court choosing to apply the act of

state doctrine to a dispute with OPEC today may very well reach a different conclusion than the 9th Circuit reached almost twenty years ago.

(2) A suit in the International Court of Justice at the Hague based upon "the general principles of law recognized by civilized nations."

In addition to such domestic antitrust actions, we believe you should give serious consideration to bringing case against OPEC before the International Court of Justice (the "ICJ") at the Hague. You should consider both a direct suit against the conspiring nations as well as a request for an advisory opinion from the Court through the auspices of the U.N. Security Council. The actions of OPEC in restraint of trade violate "the general principles of law recognized by civilized nations." Under Article 38 of the Statute of the ICJ, the Court is required to apply these "general principles" when deciding cases before it.

This would clearly be a cutting-edge lawsuit, making new law at the international level. But there have been exciting developments in recent years which suggest that the ICJ would be willing to move in this direction. In a number of contexts, we have seen a greater respect for and adherence to fundamental international principles and norms by the world community. For example, we have seen the establishment of the International Criminal Court in 1998, the International Criminal Tribunal for Rwanda in 1994, and the International Criminal Tribunal for the former Yugoslavia in 1993. Each of these bodies has been active, handing down numerous indictments and convictions against individuals who have violated fundamental principles of human rights.

Today, adherence to international principles has spread from the tribunals in the Hague to individual nations around the world. The exiled former dictator of Chad, Hissene Habre, was indicted in Senegal on charges of torture and barbarity stemming from his reign, where he allegedly killed and tortured thousands. This case is similar to the case brought against former Chilean dictator Augusto Pinochet by Spain on the basis of his alleged atrocities in Chile. At the request of the Spanish government, Pinochet was detained in London for months until an English court determined that he was too ill to stand trial.

While these emerging norms of international behavior have tended to focus more on human rights than on economic principles, there is one economic issue on which an international consensus has emerged in recent years—the illegitimacy of price fixing by cartels. For example, on April 27, 1998, the Organization for Economic Cooperation and Development issued an official "Recommendation" that all twenty-nine member nations "ensure that their competition laws effectively halt and deter hard core cartels." The recommendation defines "hard core cartels" as those which, among other things, fix prices or establish output restriction quotas. The Recommendation further instructs member countries "to cooperate with each other in enforcing their laws against such cartels."

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of these countries to "cooperate with one another . . . to maximize the efficacy and efficiency of the enforcement of each country's competition laws."

The behavior of OPEC and other oil-producing nations in restraint of trade violates U.S. antitrust law and basic international norms, and it is injuring the United States and its citizens in a very real way.

We hope that you will seriously consider judicial action to put an end to such behavior.

ARLEN SPECTER.  
CHARLES SCHUMER.  
HERB KOHL.  
STROM THURMOND.  
MIKE DEWINE.

The PRESIDING OFFICER (Mr. MENENDEZ). The Senator from Rhode Island.

Mr. REED. Mr. President, energy is the lifeblood of our economy. It is fundamental to powering our homes, businesses, manufacturing, and the transportation of goods and services that are vital to America and the world economy. But the fossil fuels our country currently relies on are unsustainable. Our Nation's addiction to oil is threatening our national security and dramatically changing the climate in which we live.

Setting America on a course of greater energy self-reliance is one of the most significant foreign policy, economic, and environmental challenges we face as a Nation.

Senators BINGAMAN, DOMENICI, INOUYE, and STEVENS have put a great deal of effort in developing this Energy bill, and it is an excellent first step. The bill will improve our Nation's energy efficiency, protect consumers from price gouging, increase vehicle economy standards, and decrease our reliance on oil, especially from unstable regions of the world.

President Bush admitted we are addicted to oil. But for the last 6 years, neither he nor the Congress was willing to take real action to change that fact. I commend Senator HARRY REID for bringing this legislation to the floor.

For the first time in 30 years, the Senate is now poised to pass legislation to increase vehicle fuel standards. I commend particularly Senators FEINSTEIN and DURBIN and SNOWE for their work on this issue. I was glad to be an original cosponsor of the ten-in-ten bill, which is the basis of the bipartisan compromise in the legislation we are considering today.

The debate about fuel economy standards should be over. We have the technology to get well beyond 35 miles per gallon, and the American public supports an increase in fuel efficiency standards. The time for action is long overdue, and I hope my colleagues will resist efforts to weaken these standards.

We have an opportunity to create a new energy future for the country. That future would strengthen our national security by making us more self-reliant and slow the impacts of global warming on our climate by investing in energy efficiency, renewable energy, and biofuels. I do not believe we can

drill or mine our way to energy independence. Increasing the importation of foreign oil and natural gas is not the answer. Developing more nuclear power, given its price, legacy, cost, and safety threats, remains very problematic. Investing in energy efficiency and renewable energy is a win-win situation. These investments offer short-term and long-term solutions to strengthen our national security by reducing our energy consumption and making us less reliant on oil from unstable regions of the world. It enhances our economic competitiveness by creating American jobs in this new green economy, and it will protect our environment by reducing our carbon footprint.

Sixty percent of the oil consumed by Americans comes from abroad. While Canada and Mexico are our top suppliers, OPEC nations hold the cards in a global oil market, and a portion of the money we spend on oil undoubtedly finds its way into the hands of unstable and unfriendly regimes. Two-thirds of the global oil reserves are in the Middle East, and more than 75 percent of global oil production is already in the hands of state-controlled oil companies. With growing global demand and limited remaining oil supply, many countries, including our allies and trading partners, will compete with us for finite oil supplies as their and our own economy rely more heavily on imports. This will inevitably stress the delicate balance that exists among national interests in the world, and it gives oil-rich nations disproportionate leverage in the international arena. Al-Qaida and other terrorist networks have openly called for and carried out attacks on oil infrastructure because they know oil is the economic lifeline of industrial economies, especially the United States.

Today, we have an opportunity to shift the balance of power around the globe that is dictated by oil. Our first step is to strengthen our national security by increasing CAFE standards.

Raising fuel economy standards is an essential insurance policy against the risk of oil dependence and global warming, which pose vital threats to our national security. Fuel economy standards have proven effective at reducing our demand for oil, but they have been stagnant for more than a decade, despite advances in vehicle technology. The fact that our industrial competitors are increasing mileage standards underscores how we have been lagging behind the world economy in terms of technology, in terms of applying that technology through increasing the standards for automobiles in our country. Achieving a 35-mile-per-gallon fuel economy over the next decade, the equivalent of the 4-percent-a-year improvement called for by President Bush, is achievable. Beginning in 2011, this bill requires the National Highway Traffic Safety Administration to annually increase the nationwide average fleet fuel economy

standards for cars and light trucks to achieve a standard of 35 miles per gallon by the year 2020. By 2020, the bill would reduce our Nation's oil dependence by approximately 1.3 million barrels per day, and in that year alone will save consumers \$26 billion, and global warming emissions will be reduced by over 200 million metric tons. These savings will continue to increase each year, year after year.

This is the best investment we can have, I believe, in both national security and improved environmental quality, not just for us but for the world.

Strong mileage standards will also make us more competitive. According to the University of Michigan Transportation Research Institute, U.S. automakers could increase revenues by \$2 billion and save between 15,000 and 35,000 jobs for autoworkers if we improve gas mileage. Higher fuel efficiency standards will help U.S. automobile manufacturers to better compete in the global marketplaces. The pricetag of our oil dependence is also not sustainable. According to a Department of Defense report:

The United States bears many costs associated with the stability of the global oil market and infrastructure. The cost—

According to this report—  
of securing Persian Gulf sources alone comes to \$44.4 billion annually for the United States.

We are literally policing the world oil market for the benefit of the world economy, with great cost in terms of dollars but also in terms of the huge pressure on our military forces and their families.

We lose \$25 billion from our economy every month, and oil imports now account for nearly a third of the national trade deficit because of our dependence on oil. The economy is exposed to oil price shocks and supply disruptions, and families are feeling the pinch of oil prices. High energy prices reduce consumer spending power and affect businesses' bottom lines.

Millions of petrodollars are being exported out of U.S. cities and counties to pay for energy with a real effect on local economic vitality. In Rhode Island, my home State, gas prices have increased by \$1.50 per gallon, an increase of 99 percent, since 2001. Households in Rhode Island are paying \$1,430 more per year for gasoline than in 2001. So for the State economy, this means that families, businesses, and farmers in Rhode Island will spend \$52.4 million more on gasoline in June 2007 than they spent in January 2001, and \$600 million more will be spent on gasoline this year than was spent in 2001, if prices remain at current levels. Rhode Island residents, farmers, and businesses are on track to pay \$1.2 billion for gasoline this year. That is an extraordinary drain on the economy of my State and on States throughout this great Nation.

If we have a policy that increases CAFE standards and energy efficiency and makes sensible investments in renewable fuels, we will have more funds

to invest in education, health care, public works, and business development. My State, like so many States, is struggling with a budget problem, a huge State budget problem. Some of that can be attributed directly to the higher cost of fuels to run schools, to run buses, to run the infrastructure of our State. We could take that money, save it, and invest it in education, in schools, and not simply ship it overseas through major international oil companies.

Energy efficiency and renewable energy programs that improve technologies for our homes, our businesses, and our vehicles must be the “first fuel” in the race for secure, affordable, and clean energy. Energy efficiency is the Nation’s greatest energy resource. We now save more energy each year from energy efficiency than we get from any single energy source, including oil, natural gas, coal, and nuclear power. We need to use energy in a way that saves money. It is much cheaper to conserve energy and increase efficiency than to build further energy infrastructure in the country.

The Senate bill contains important provisions to support energy efficiency. First, it sets new energy benchmarks for appliances, including residential boilers, dishwashers, clothes washers, refrigerators, dehumidifiers, and electric motors. These seem like very mundane, trivial items, but if we can make even small increases in their efficiency, it has a huge macroeconomic effect on our society in terms of demand for energy, and this legislation will help us do that and point us in that direction. According to the American Council for an Energy Efficient Economy, increasing these standards will give consumers more than \$12 billion in benefits, save more than 50 billion kilowatt-hours per year in electricity, or enough to power 4.8 million typical American households. The bill also strengthens energy requirements for the Federal Government. Today, the Federal Government spends more than \$14 billion a year on energy. Increasing efficiency will save energy and taxpayer dollars. That is something we have to begin ourselves, leading by example at the Federal level.

The bill also increases the authorization level for the Weatherization Assistance Program and the State Energy Program. The State Energy Program improves the energy efficiency of schools, hospitals, small businesses, farms, and industries to make our economy more efficient.

The Weatherization Assistance Program helps low-income families, the elderly, and the disabled by improving energy efficiency of low-income housing. Weatherization can cut energy bills by 20 to 40 percent in each assisted home. This represents savings that families can use to pay for other necessities, while reducing the Nation’s energy demand by the equivalent of 15 million barrels of oil each year. It lowers our national demand for energy,

helps individual families, which is another win-win program we must support more vigorously.

The program weatherizes approximately 100,000 homes each year. Since its inception, the program has weatherized over 5.6 million homes. Weatherization has also grown an energy efficiency industry for residential housing that, according to the Department of Energy, employs 8,000 people who work in low-income weatherization alone. This has been a great success. Again, lowering the cost to families, lowering the national demand, and putting people to work is a good formula for our economy today.

Unfortunately, the Department of Energy’s fiscal year 2007 spending plan cut funding to the weatherization program, and the administration, unfortunately, has a situation in which efficiency funding has fallen alarmingly since 2002. Adjusting for inflation, funding for energy efficiency has been cut by one-third. We have to do better. In the face of soaring prices, in the face of international threats posed by oil powers, we are cutting programs that are efficient, effective, and help families, and that is not only wrong, but it is terribly wrongheaded.

A strong renewable electricity standard is also needed to diversify our fuel supply, clean our air, and better protect our consumers from electricity price shocks. I am glad to join Senator BINGAMAN in supporting an amendment to the bill to require a 15-percent renewable electricity standard by 2020. This amendment will promote domestically produced clean energy, reduce U.S. greenhouse gas emissions, reduce energy costs for American consumers and businesses, and create American jobs.

According to the Union of Concerned Scientists, a 15-percent RES would save the residential, commercial, and industrial sectors \$16.3 billion in electricity and natural gas costs. These savings are particularly critical for energy-intensive industries such as manufacturing. The RES will also create jobs in manufacturing. A recent study by the Apollo Alliance and the Urban Habitat found that renewable electricity creates American manufacturing, construction, and maintenance jobs. For every megawatt of solar photovoltaic electricity generated, about 22 jobs are created, which is their projection. Geothermal energy creates 10.5 jobs per megawatt, and wind energy creates 6.4 jobs per megawatt. American energy-intensive industries that are saving \$5 billion through 2023 will be more competitive in the global market. Using clean, domestically produced power will also help stabilize prices, allowing businesses to more accurately budget for energy costs. This RES, the proposal of Senator BINGAMAN, will also lower U.S. carbon dioxide emissions by nearly 2 million tons per year by 2020.

Finally, the RES is important to our national security. In July 2006, the Na-

tional Security Task Force on Energy published a report recommending several measures to improve energy security in the 21st century, including a national RES of 10 to 25 percent. Consumption of natural gas is growing at a faster rate than for any other primary energy source, and it is growing in all sectors of the economy. Families heat their homes with natural gas, businesses use natural gas to produce products, natural gas vehicles are becoming more common, and power producers generate cleaner energy with natural gas. Similar to oil, demand is growing faster than available supplies can be delivered, and the tightening in supply and demand is resulting in dramatic price volatility. One way to increase the natural gas supply in the United States is through liquefied natural gas, known as LNG. Again, however, we would do well to learn from our lessons with oil. One-third of the world’s proven reserves of natural gas are in the Middle East, nearly two-fifths are in Russia and its former satellites, and Nigeria and Algeria also have significant reserves.

Political stability and terrorism are very real threats to these countries being a reliable source for natural gas. Russia is trying to create an OPEC-style cartel for natural gas, which could manipulate natural gas prices and supply, and that would be a very unfortunate development.

For over 30 years, through four different administrations, Americans have been promised that our Government would end the national security threat created by our dependence on foreign oil. As a country, we need to move in a new direction toward a clean and secure energy future. This effort must include greater investment in energy efficiency, a strong renewable electricity standard, and increased vehicle fuel economy standards. Also, as we dramatically increase biofuel production, we must ensure that it does not cause harm to the environment and public health.

Energy security starts with using the fuels we have more efficiently. Smart energy use is a resource not vulnerable to terrorism or world politics, and I think this legislation is a step forward for smart energy use. I commend Chairman BINGAMAN for his leadership.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

#### IMMIGRATION

Mr. DORGAN. Mr. President, I wish to say a word this morning about a column that was printed in the Washington Post this morning on the op-ed page that was taking the majority leader of the Senate to task, and doing so, I think, unfairly and certainly inaccurately.

The column criticizes the majority leader for saying the Senate’s time was “too precious” to expend on what would have been unlimited debate on an unlimited number of Republican amendments to the immigration bill.

The intent of this column in the newspaper is to say that the majority leader was responsible for failing to allow consideration of the immigration bill.

I don't know what Mr. Will, who wrote this column, was watching last week. I know Paris Hilton was being taken back and forth between her house and the sheriff's office and court and jail, apparently, and the country must have been riveted on that story. But C-SPAN would have availed a columnist of a pretty good look at what the Senate was doing, and not just for last week but for 2 weeks the Senate dealt with the subject of immigration.

I happen to come to a different conclusion on that subject than the majority leader. I know who supports that legislation, and he has supported that legislation. I watched the last day of consideration when the majority leader came to the floor and offered a proposal where each side would get four amendments. That was objected to. He then proposed that each side would get three amendments. That was objected to. Each side would get two amendments. That was objected to.

I don't have the foggiest idea why Mr. Will would write a column suggesting somehow the majority leader was responsible for that not going forward after 2 full weeks of debate and being blocked in every circumstance of having additional amendments considered.

But what brought me to the Senate floor is not my support of consideration or further consideration of the immigration bill, but the charge that the majority leader was somehow responsible for scuttling it. That is not the case, No. 1. And, No. 2, Mr. Will says in his column that, in fact, it was taken off the floor in order to bring up legislation that would quintuple the mandated use of corn-based ethanol, apparently upset about the fact that we have an energy bill on the floor at this point that would dramatically increase the use of biofuels, corn-based ethanol and also cellulosic and other approaches because we believe we need to find somehow, some way, some point, someday to become less dependent on foreign sources of oil.

Over 60 percent of the oil we use in this country we obtain from troubled parts of the world overseas—60 percent of it and it is growing: the Saudis, the Kuwaitis, Venezuela, Iraq, and the list goes on. If tomorrow, God forbid, somehow that source of oil would be shut off to our economy, this economy, this American economy would be flat on its back. We need to become less dependent on foreign sources of oil. We use 70 percent of the oil we bring into this country in our vehicles. We run them through the carburetors and fuel injectors of our vehicles.

We are doing a lot with this legislation. We haven't had an increase in the efficiency standards for vehicles for 25 years, and the auto companies, I know, object to that. They objected to seatbelts. They objected to airbags. They

have given us better cupholders. They have given us better music systems. They have given us keyless entry. But they haven't in 25 years given us greater efficiency, and they should. That is in the bill.

We also increase the supply of alternative energy with renewable fuels called the biofuels, ethanol, corn-based ethanol; yes, cellulosic ethanol, yes. If Mr. Will and others think that is irrelevant, they miss the point. This country doesn't have a choice. We must find a route to be less dependent on foreign sources of oil.

One approach, in my judgment, is to make the vehicles more efficient. Another approach is to produce renewable fuels. I was the author of the only standard that exists for renewable fuels, a 7.5-billion-gallon-a-year standard. We did that 2 years ago. I think we are at 7.5 billion gallons already. We were hoping to get there by 2012. Now we have a bill that will take us to 36 billion gallons of renewable fuels. As a measurement, we use 145 billion gallons of fuel a year. We want to go to 36 billion gallons of renewable fuels that we can grow in our farm fields, among other things.

It is easy to write a column, I guess. If the ink is inexpensive, you can say anything you want. This is not an accurate reflection of two things. No. 1, it is not an accurate reflection of the immigration bill, and it is not an accurate reflection, in my judgment, of the merits of biofuels to extend America's energy supply.

While I am up, I want to make one more point. There are others who talked about the amendment I offered to the immigration bill suggesting that somehow it would have been responsible for killing the bill. I want to describe it very briefly.

The immigration bill was put together in a room by a group of people who said: Here is what we think we should do to deal with immigration. The proposal was put together in a room by some 14 Senators, which meant that 86 others were not involved. So the product was brought to the floor of the Senate, and we were told: If you have a different idea, the group of 14 are going to oppose it. That group of 14, or whatever it was, creating a grand compromise, they had a responsibility to oppose anything that the rest of the 86 Members of the Senate believed could add to or improve the bill.

Among other things, the bill provided a temporary worker provision which said there are millions of people outside this country—400,000 a year originally, 2 years on, 1 year back to their home country, 2 years back, 1 year back to their home country, 2 years back a third time. My colleague from New Mexico reduced that to 200,000 a year. But it was ultimately the same circumstance. It would have been a massive number of new people who don't now live here who would have come in and taken jobs in this country.

I did not support that guest worker program. I believe at least we should sunset it after 5 years to evaluate the consequences, what impact it has had on our country. Has it had an impact of downward pressure on wages, which I think it will have, which I don't support? Has it had an impact of bringing in a lot of immigrants who will not leave afterward and, therefore, be here without legal authorization? If so, should we consider that issue and how to deal with it?

I think these are very complicated issues, and the guest worker program should be sunsetted after 5 years. My amendment won by one vote, and then it was as if the sky was falling. This is going to kill the bill, they say. I don't agree with that at all. I just don't agree.

As I have indicated many times, they brought that out here suggesting that anything that was done that would change it would kill the bill. Again, it is the argument we hear all the time: the lose thread on the cheap sweater; pull the thread, the arms fall off.

I come back to this point that I think the column today is unfair to the majority leader. It unfairly suggests that he is the responsible party for not moving forward on immigration. We spent 2 full weeks on immigration. It wasn't incomplete because of anything the majority leader did. He is the one who brought it to the floor in the first place.

Second, it is unfortunate—certainly well within the columnist's right, but unfortunate—to suggest that somehow renewable fuels cannot play a significant part in this country's energy future. That is a significant part of this bill. Senator BINGAMAN, Senator DOMENICI, myself, and many others have worked on renewable fuels for a long while. We set a standard that I think is going to be very exciting for this country to meet, and I think it will reduce our dependence on foreign sources of oil, will make us much less dependent than we are now, and I think it will advance this country's security and energy interests.

I am pleased to be a part of that effort and support it and felt especially that I ought to say a word in response to this column that I think unfairly treats the issue of biofuels.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the Chair.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 1605 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CONRAD. Mr. President, I rise today in support of bold action on energy policy for this country. I am pleased and indebted to the chairman of the Energy Committee for his leadership. I think all of us know our country faces serious energy challenges. The most pressing is the fact that our Nation is far too dependent on foreign oil.

For example, we currently import roughly 60 percent of the oil we consume. You can see that in 2006, 60 percent of our oil came from imports; only 40 percent was domestic. Not only does this make us increasingly dependent on the most unstable parts of the world, but it is also leading to a financial hemorrhage. It is leading us to spend hundreds of billions of dollars abroad that could otherwise be deployed here at home.

Imported petroleum accounted for \$272 billion of the U.S. trade deficit over the last year, equal to 32 percent of our total trade deficit—\$272 billion that we spend in other countries that could have been spent here at home. Imagine the difference in this country's economy if we were spending \$270 billion in America securing energy here instead of shipping it to Saudi Arabia, Kuwait, Venezuela, Nigeria, and all of the other countries from whom we buy foreign oil.

We know much of this oil is coming from the most unstable parts of the world. That puts us at risk, not only at economic risk but at national security risk. We must also recognize that other countries, especially in the developing world, are going to consume growing amounts of energy as well. In fact, the Energy Information Administration projects world consumption of energy will increase 57 percent from 2004 to 2030.

This chart shows it well. This is the current consumption level. This is what they project by 2030—a 57-percent increase. This growth in demand for energy will mean higher prices for energy, increased price volatility in the markets for oil, natural gas, uranium, and coal as transportation and refining networks are pushed to capacity. Unless we change course, we will become even more dependent on foreign energy sources. In fact, we are told now that while we are 60 percent dependent, we are headed for 75 percent dependence if we fail to act. In short, our addiction to foreign oil threatens our economic future and our national security. We need to take significant strides now to develop other sources of energy, ones we can rely on to be there in the future.

I have said many times to my colleagues, instead of continuing our dependence on the Middle East, we need to look to the Midwest for increased energy supplies, because it is in the Midwest where we grow the feedstocks for ethanol and biodiesel, things that reduce our dependence on foreign oil.

Fortunately, the United States has the domestic resources and the ingenuity to reduce our dependence on foreign oil and meet our energy challenges. That is why I introduced the BOLD Act last year, Breaking Our Long-term Dependence. The BOLD Act would increase production of renewable energy and alternatives fuels, offer incentives to reward fuel savings and energy efficiency, increase research and development funding for new tech-

nologies, promote responsible development of domestic fossil fuel resources, and facilitate expansion and upgrades to our Nation's electricity grid.

That is also one of the challenges facing us; we have gridlock on the energy grid. When we produce additional energy in North Dakota, we can't move it to the Chicago market because the capacity of the grid is full—in Minnesota, in Wisconsin. So when we put on new capacity in North Dakota through wind power, for example, where we have extraordinary potential, we can't move it to the Chicago market where it is needed because the grid itself is gridlocked.

I am pleased the bill before us contains many of the provisions or similar provisions to what was in the BOLD Act I introduced last year. The renewable fuels standard is an important step. My BOLD Act required 30 billion gallons of renewable fuel use by 2025. This bill requires 36 billion gallons by 2022. Renewable fuels have tremendous potential to reduce our imports. By relying more on domestic crops to produce ethanol and biodiesel, we can reduce fuel prices, support economic development in rural areas, and improve our energy security.

This energy bill also takes steps to develop an infrastructure of pipelines, rail lines, and trucks able to deliver increasing amounts of renewable fuels to market. These steps will allow us to substitute homegrown fuels for foreign oil, dramatically reducing our dependence on imported oil.

Let me say that other countries have done this. Brazil is a perfect example. You can see, in the green bars, that in 1973 we were 35 percent dependent on foreign oil. Today, we are 60 percent. Look at Brazil. Brazil, in 1973, was 80 percent dependent on foreign oil. They have reduced that last year to 5 percent—a dramatic change. How have they done it? They have done it by promoting ethanol and biodiesel and by promoting flexible fuel vehicles. That is a program for success.

Experts tell us the single most important thing we can do to reduce our reliance on foreign oil is to improve the efficiency of our cars and trucks. If our cars averaged 40 miles a gallon, we could save 2 to 3 million barrels of oil a day. In the short term, we clearly need to increase fuel efficiency. In the longer term, we need to develop alternative fuel technologies, such as plug-in hybrid and electric drive vehicles. This bill helps advance a long-term solution to the problem with research and development and demonstration programs for electric drive transportation technology. The bill also includes loan guarantees for facilities for the manufacture of parts for fuel-efficient vehicles, including hybrid and advanced diesel vehicles.

We have abundant domestic sources of electricity, from a 250-year supply of coal to rapidly developing renewable sources such as wind energy. Let me say that my State is a leader in both.

We have the greatest wind energy potential in North Dakota of any State in the Nation. I might add it is not because of our congressional delegation. No, this is wind generated by a higher power.

I am glad I have been able to amuse the Chair.

North Dakota has those constant prevailing winds. Already, we have seen hundreds of millions of dollars invested in wind energy, but much more could be done. And, of course, we have extraordinary deposits of coal as well. By plugging into these sources of energy to fuel our transportation sector, we can dramatically reduce our dependence on foreign oil.

This bill also establishes long overdue efficiency standards for consumer appliances and industrial products, and promotes advanced lighting technologies that will cut down on a major source of our electricity load.

Lastly, I am encouraged by the strong provisions in this bill to research, develop, and demonstrate our capacity to capture and store carbon dioxide. The largest carbon sequestration project in the world is going on in North Dakota, where the coal gasification plant that is run by Basin Electric—we call it the Dakota gasification plant—is shipping about half of the carbon dioxide it produces to Canada to repressurize the oil fields there. This is the largest carbon sequestration project in the world. We are proud of it. We are demonstrating that this can be done, and that is a winner on every count. It reduces carbon dioxide in the atmosphere and it repressurizes oil fields in Canada to get more production so we are less reliant on more unstable sources. This is crucial work if we are to find the best response to global climate change.

I look forward to taking up work in the Finance Committee next week to craft bold and thoughtful tax provisions to complement and expand upon the worthy objectives that are already in this bill. This bill takes important steps to set us on a path toward energy independence. Let me say it will be many years before we reach that objective, but we must act boldly now to take these initial steps.

I wish to especially commend and thank the chairman of the Energy Committee, Senator BINGAMAN, who has labored so hard and so long to produce this legislation. Senator BINGAMAN has taken on some of the toughest areas of energy policy. These are areas of real controversy, and he has taken them on with real leadership. We are proud of him.

Senator BINGAMAN, I thank you for the legislation you have brought to the floor and for the effort you and your staff have put into this endeavor. It is important for our country. I believe, more broadly, it is important for the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, first, let me thank my friend and colleague from North Dakota for his kind words and for his strong support for this legislation. He has been a leader on this whole set of energy issues and proposed very strong legislation in the last Congress on this very set of issues. We are hopefully moving ahead on some of the policy recommendations and proposals he has made here in the Senate in the last year or two. I congratulate him on that and look forward to continuing to work with him.

We are now on what is called the renewable portfolio standard and the renewable electricity standard amendment. This is an amendment I offered. Senator DOMENICI has now offered a second-degree amendment to it, which is really a substitute, which is really a very different piece of legislation than the amendment I offered.

I thought I would take a few minutes. I know Senator DOMENICI will be returning to the floor here in a few minutes, and he will want to speak on his proposed substitute amendment. I thought I would take a few minutes right now to describe the amendment I have offered on the renewable portfolio standard.

In each of the last three Congresses, we passed a major energy bill in the Senate. In each of those energy bills, we have included a provision to require that a certain percentage of the electricity sold by electric utilities throughout the Nation come from renewable energy sources. That is the nature of the amendment I am offering again today. The Senate has approved this proposition again and again.

In the 107th Congress, we included such a portfolio standard. That is the phrase which has been used historically to describe this amendment, a portfolio standard. It is really an electricity standard or electricity requirement on utilities. But in the 107th Congress, we included such a portfolio standard as part of the Energy bill, and strong votes on the floor affirmed the Senate's determination that the standard we proposed there should not be weakened.

In the 108th Congress, there was a letter signed by 53 Senators that went to the chairs of the conference on the Energy bill. The Senate conferees went on to approve the portfolio standard and sent it on to the House as part of our bill.

In the 109th Congress, the same thing happened.

In all three cases, the House conferees rejected the proposal that had been passed by the Senate. Now we have an opportunity to renew our support for this proposal and to place it in a bill that hopefully can garner strong bipartisan support and finally reach the President's desk.

There are good reasons for the Senate to support this proposal. A strong renewable portfolio standard is an essential component of any comprehensive national energy policy. It is not just an important part of such a strat-

egy but an essential component of such a strategy.

The benefits are clear. This portfolio standard would reduce our dependence on traditional polluting sources of electricity. It would reduce our dependence on foreign energy sources. It would reduce the growing pressure on natural gas as a fuel for the generation of electricity. It would reduce the price of natural gas. It would create new jobs. It would make a start on reducing our greenhouse gas emissions, and it would increase our energy security and enhance the reliability of the electricity grid. Those are some of the benefits.

Mr. President, I failed at the beginning of my comments to ask unanimous consent that Senator DURBIN be added as an original cosponsor of this amendment.

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

Mr. BINGAMAN. This portfolio standard we have offered is a flexible, market-driven approach to achieving all of the goals I have enunciated here and to do so at a negligible cost to consumers. The proposal would require retail sellers of electricity who sell more than 4 million megawatt hours per year to provide 15 percent of that electricity from renewable sources by the year 2020. The requirement would be ramped up. There would be an increase in the requirement each year, in 3-year increments to allow planning flexibility for those utilities.

The Secretary of Energy would be required to develop a system of credit for renewable generation that could be traded or sold, again making the program easier to comply with. Utilities could use new or existing generation to comply with the program or they could comply with the program by buying credits from someone who has produced more renewable energy than they were required to produce. New renewable producers could receive the credits to trade or to sell.

Let me just summarize at this point and interject. The way we have drafted this, the flexibility is that an electric utility can comply with the requirement—the requirement being to ensure that 15 percent of the electricity they sell comes from renewable sources—in any of four ways:

First, they can produce the electricity themselves. They could put in a wind farm or a biomass facility or whatever and produce that energy from renewable sources themselves.

Second, they could buy that energy from someone else who is producing that renewable energy.

Third, they could buy credits from someone who has produced more renewable energy than they themselves are required to have in order to meet their requirements under the law.

Fourth, there is a compliance fee that they could pay the Secretary of Energy if they are not able to do any of the previous three. That would be at a rate of 2 cents per kilowatt-hour. So

the cost of the program to utilities would be capped by allowing utilities to make this alternative compliance payment of 2 cents per kilowatt-hour, which is adjusted for inflation. As long as the difference between the cost of renewable generation and the cost of other generation resources is less than 2 cents per kilowatt-hour, the utility could buy or generate renewables or buy credits in the open market. When it reaches or exceeds that 2-cent price, the cap would kick in.

We also would create a program from the alternative compliance payments so that, to the extent a utility chose to go ahead and just pay the 2 cents per kilowatt-hour, those funds would go into a State program for development of renewable energy in that State.

Congress has tried before to spur the development of renewables. In 1978, we passed the Public Utility Regulatory Policies Act. That bill required utilities to buy renewables if the generators could meet the avoided cost of the utilities. Cogeneration—the combined use of heat and industrial processes for generation of electricity—was also eligible. That program resulted in a huge growth in cogeneration. Over half of the new generation that came on line in this country during the 1980s and the 1990s was from that resource. It did not, however, do much for renewable generation. These technologies have remained at about 2 percent of total electricity supply for several decades now.

We have a chart here which makes that point. This chart depicts electricity generation by fuel during the period 1970 projected through 2025 in billions of kilowatt-hours.

You can see, from 1970 up to the current time, renewables is way down toward the bottom. It is the second to the bottom line on that chart. Then it stays flat going forward, unless we pass this legislation. This legislation is intended to change these lines on this chart. That is the entire purpose of the legislation.

Critics of the program claim that the cost of this would be too much, that States are already requiring development of renewables, and that some areas do not have readily available renewable resources. My response is, I would point to a number of studies of this proposal that have been done over the years.

In 2003, I asked the Energy Information Administration at the Department of Energy to look at the effect the proposed renewable standard at that time would have had. They found that the standard would result in 350 billion kilowatt-hours of renewable generation being constructed between 2008 and 2025; that is generation that would not be constructed absent the passage of that provision. They found that the cost would be minimal. The report indicated there would be an increase in the cost of electricity by about one-tenth of a cent in 2025 over projected costs. When combined with the reduction in natural gas prices which would

be caused by the renewable portfolio standard, the total aggregate cost to consumers on their energy bills was projected to be less than one-twentieth of 1 percent.

In 2005, again I asked the Energy Information Administration to update the analysis, taking contemporary conditions into account. That update found that the portfolio standard we were proposing then would cause the prices of both electricity and natural gas to actually go down, and the letter that outlines those results stated:

Cumulative residential expenses on electricity from 2005 to 2025 are \$2.7 billion, that is 2/10th of a percent lower, while cumulative residential expenditures on natural gas are reduced by \$2.9 billion, or one half of 1 percent. Cumulative expenditures for natural gas and electricity by all end use sectors taken together will decrease by \$22.6, again, one-half of 1 percent.

That report also indicates that generation of electricity from natural gas would be 5 percent lower with the RPS than it would be without the RPS. It also projected that total electricity-sector carbon-dioxide emissions would be reduced by 249 million metric tons relative to the reference case.

This year, once again, I asked the Energy Information Administration to analyze the proposal we now have before the Senate. This analysis indicates that the renewable electricity standard or renewable portfolio standard would result in a tripling of generation from biomass, a 50-percent increase in wind generation, and a 500-percent increase in solar generation. The net expenditures for energy by consumers are projected to increase by three-tenths of 1 percent, electricity prices are projected to increase by nine-tenths of 1 percent, while natural gas prices are slated to fall.

The renewable electricity standard would also be expected to reduce carbon dioxide emissions by 6.7 percent, or 222 million metric tons in 2030.

These projections are not as optimistic as those we got 2 years ago in the 2005 analysis. There are some different assumptions which they used which explain the different conclusions. The first assumption was that the reference case projects a much greater expansion of coal generation than earlier projections. That was partly a result of the higher natural gas price projected. Second, the study assumes tax credits for renewables will, in fact, end next year, in 2008.

They are scheduled to expire next year. I think all or at least most Members of the Senate believe we ought to extend those tax credits. I hope we do so as part of our amending of this bill on the Senate floor this week and next week. I know the Finance Committee, Senator BAUCUS and Senator GRASSLEY on the Finance Committee are working to develop a package of tax extenders and provisions to expand the tax provisions that are related to renewables.

Third, and perhaps most importantly, the study—this is the study the Energy Information Administration

did for us this year. The study does not assume any controls on carbon emissions anytime in the next 13 years. Frankly, I don't think that is a likely occurrence. I think this Congress and this Government is going to come to a responsible position with regard to greenhouse gas emissions and there are going to be limits on carbon emissions imposed in this country, as they have been imposed in many industrial countries around the world—the sooner the better, from my perspective. But certainly that is going to happen long before the end of the next 13 years.

The report acknowledges these assumptions but states that different assumptions would result in lower costs for the renewable electricity standard. There is, of course, considerable uncertainty regarding the projected baseline electricity mix. Actual implementation of future policies to limit greenhouse gas emissions could lead to a larger role for natural gas in the generation mix.

This is a quote from the report we received this year. It says:

In such a scenario—

That is where natural gas has a larger role in the generation mix—the projected impact of the 15 percent renewable portfolio standard proposal would move toward those identified in the 2005 analysis.

In the tax title that is being developed by the Finance Committee to accompany the bill, we are working to extend the production tax credit, to extend the investment tax credits that are available for renewables. We are also going to do something, I believe, to try to encourage sequestering of carbon emissions.

I don't think anyone in this body believes Congress will fail to act on this issue for the period of time that is built in for these assumptions. If we assume what we believe is going to happen, we are back with a projection of considerable consumer savings from the renewable electricity standard, as we found in the 2005 report that they did.

A recent report from Wood Mackenzie, which is a noted natural gas industry analytic consulting firm, concluded that a 15-percent renewable portfolio standard would result in a savings in variable costs for electricity of \$240 billion by 2026.

That is far more than offsetting the \$134 billion increase in capital expenditures. The study indicates that natural gas prices would be from 16 to 23 percent lower in their projection by 2026 as a result of enactment of this provision. The study also projects that carbon emissions from the power sector would be 10 percent lower in 2026 as a result of this.

A recent study by the Union of Concerned Scientists found that this proposal would result in \$16.4 billion in savings to consumers on electricity and natural gas bills. It also reported a 7-percent reduction in carbon emissions.

A number of other studies found positive results, even to the point of reduc-

ing overall energy costs. In 2005, we had a hearing in the energy committee. Senator DOMENICI was chairing the committee at the time. It was on the issue of generation portfolios. Dr. Ryan Weiser, of Lawrence Berkeley National Laboratory, presented a report that summarized the results of 15 studies of renewable portfolio standards, much like the one I am offering.

All these studies found that a portfolio standard would reduce natural gas prices; 12 of the 15 studies projected a net reduction in overall energy bills for consumers as a result of the renewable portfolio standard. In other words, we can save natural gas, we can reduce carbon dioxide emissions significantly, and we can save money both on electricity bills and on natural gas bills from making this move that this proposal contemplates.

Many have argued that States are already implementing renewable portfolio standards so there is no need for a Federal program. It is true States have taken the lead in pushing for more renewable generation.

Twenty-three States currently have in development renewable requirements. Almost all these standards are more aggressive than the Federal standard I am proposing in the amendment I have sent to the desk. New Mexico requires 16.2 percent by 2020. California requires 20 percent by 2017. Maine requires 30 percent by 2000. Minnesota requires 27.4 percent by 2025.

This will spur the growth of renewables in these regions. There is one thing, however, that a State standard cannot do—it cannot drive a national market for the technologies involved here. If some States have renewable standards and others do not, it is impossible for a national market to develop for renewable credits.

This credit trading system is the piece of our proposal that gives the greatest flexibility for compliance. The credit trading system also helps to reduce the cost of compliance by allowing credits for lower cost renewables from one region to be bought by utilities in another region.

Some argue this is a cost shift from the regions without renewable resources to those that have renewable resources. I would argue it is a way to spread the cost to all who are, in fact, benefitting. If States do not have or choose not to develop renewable resources, they still realize very real benefits in lower natural gas prices, lower SO<sub>2</sub> allowance costs, and low-cost carbon reductions. It is only fair they share the slight increase in costs for generation of electricity that, in fact, created the savings. The argument that many States do not have, or many regions do not have renewable generation resources has been made. It is true the best wind, geothermal, and solar resources are concentrated in the West.

The entire country has extensive biomass potential. As Maine and other Eastern States have shown, paper production and agricultural processes are

available everywhere. We have a chart that makes that point. It shows, up in the left-hand corner, biomass and biofuel resources; on the right side, solar insolation resources; geothermal resources on the left-hand side; and wind resources on the bottom right.

If Rhode Island and Pennsylvania and New Jersey and Maryland can implement aggressive standards, then the standard we are calling for can be implemented in all States. The chart from the Department of Energy's National Renewable Energy Lab shows that virtually every State has the biomass production potential to meet this target. Environmental benefits are clear.

RPS would result, according to the Energy Information Administration, in a 6.7-percent reduction in carbon emissions in the year 2030. That is a reduction of 222 million tons in that area alone. RPS standards also benefit the economy. It drives job growth. The Union of Concerned Scientists says that wind turbine construction alone would result in 43,000 new jobs per year, on average.

An additional 11,200 cumulative long-term jobs will result from subsequent operations and maintenance. There is another study by the Regional Economics Application Laboratory for the Environment, Environmental Law and Policy Center, that found that over 68,000 jobs at 6.7 billion in economic output would result from the development of the renewable energy capacity contemplated in this amendment.

According to the AFL-CIO, an estimated 8,092 jobs would be created over a 10-year period for installation and O&M on wind power in Nevada alone, and another 19,137 manufacturing jobs would be created. Agricultural interests have begun to be aware of the potential and have indicated their support.

Last month, the 21st Century Agricultural Policy Project, under the guidance of former Senators Bob Dole and Tom Daschle, issued a report. That report made recommendations to sustain the Nation's farm sector. One of the key recommendations was that Congress pass a Federal renewable portfolio standard. I do have executive summaries of those reports. I ask unanimous consent that they be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. BINGAMAN. So support for RPS is strong throughout the Nation. A poll recently by Melvin & Associates found that 70 percent of those surveyed nationwide supported a 20-percent portfolio standard. That is not what I am recommending. I am recommending 15 percent.

But these results were about the same in States as diverse as North Dakota and Georgia and Missouri and Arizona. Environmental groups, from the Sierra Club to the Natural Resources

Defense Council, to the industrial associations, to the renewable trade groups, to utilities have all supported RPS. We recently received letters from a great many organizations.

Let me indicate what these letters are. First, we have a letter to Senators REID, McCONNELL, BINGAMAN, and DOMENICI, signed by several hundred organizations indicating their strong support for this proposal that I have put before the Senate today.

I ask unanimous consent that letter be printed in the RECORD.

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

(See exhibit 2.)

Mr. BINGAMAN. Next I have a letter from Michael Wilson of FPL Group—he is vice president for government affairs with FPL—saying: Please consider this letter an endorsement in the renewable portfolio standard amendment that you intend to offer.

I ask unanimous consent that be included in the RECORD following my remarks.

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

(See exhibit 3.)

Mr. BINGAMAN. Next, a letter from the National Farmers Union directed to Senators Reid, McConnell, Domenici, and myself, saying: On behalf of the farm, ranch and rural members of National Farmers Union, we are writing to urge you to support inclusion of a strong national renewable portfolio standard in energy security legislation and oppose attempts to weaken that when the Senate considers this issue in the coming days.

I ask unanimous consent to have that letter printed in the RECORD.

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

(See exhibit 4.)

Mr. BINGAMAN. Finally, I have a letter from the American Wind Energy Association indicating strong support for my amendment and concern and opposition to the proposed substitute amendment that Senator DOMENICI has offered under the title: Clean Portfolio Standard.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD following my remarks.

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

(See exhibit 5.)

Mr. BINGAMAN. Mr. President, we are moving ahead on this bill. This is an important part of the legislation. I think all Senators have known this was intended to be offered as an amendment on the floor. I have certainly indicated that repeatedly over recent weeks and even months. So as I say, it has been offered and passed in a somewhat different forum, three previous Congresses in the Senate. I hope very much that we can proceed to a good debate on this proposal and on the proposal by my colleague from New Mexico, Senator DOMENICI, and then have votes on those two proposals.

I know Senator KERRY also has a proposed second-degree amendment to

raise the percentage requirement from 15 percent to 20 percent. He would like to have a chance to have the Senate consider that proposal as well.

At this point, I think that gives a general overview of the amendment and the reasons why I think the Senate should support it. I urge all my colleagues to vote for the amendment. I will also want to address Senator DOMENICI's amendment once he has had a chance to explain that.

I yield the floor.

EXHIBIT 1

21ST CENTURY AGRICULTURE POLICY PROJECT

EXECUTIVE SUMMARY

America's farmers and ranchers face unprecedented challenges and opportunities in the decades ahead. Globalization, technological change, trade issues, federal budget constraints, global warming, high energy costs, land-development pressures, and increasing environmental and food safety concerns are all likely to have a profound impact on rural communities and on future prospects for sustaining a prosperous and vibrant farm economy. At the same time, new markets are opening to farmers that already are paying enormous dividends. Investments in biofuels projects and wind farms, as well as the generation of carbon credits, are providing farmers and ranchers with new sources of income that are transforming the rural American economy.

The 21st Century Agriculture Policy Project was motivated by a recognition that rapidly changing landscape calls for a more expansive and creative approach to national farm policy. Sponsored by the Bipartisan Policy Center and chaired by the two of us, who together have eight decades of experience at the forefront of federal engagement with agriculture issues, the Project was launched in March 2006. Its aim has been to work directly with farmers, ranchers, and other stakeholders to forge bipartisan consensus around a new agenda for U.S. farm policy in the 21st century. It is our intent to put forward a series of recommendations that, taken together, can be implemented at a net savings to the federal government compared with the current Farm Bill. Specifically, our recommendations assume that increased demand for biofuels under an expanded renewable fuel standard will produce substantial savings in existing agriculture support programs, including elimination of the direct payment program, less reliance on countercyclical and loan deficiency payments, and more reliance on the marketplace.

Programs to sustain the nation's agricultural sector must necessarily evolve to reflect emerging budget pressures and new economic realities, while also being responsive to the larger concerns and interests of American taxpayers, consumers, and utility ratepayers. Indeed, as taxpayers, consumers, and ratepayers themselves, farmers and ranchers are best served by well-designed policies that achieve equitable outcomes, do so in a fiscally responsible manner, and are carefully targeted to achieve maximum societal benefits at the lowest possible cost. Fortunately, the input gathered through this project from farmers and researchers points to promising opportunities for reforming current policies in ways that are responsive to broader public-interest objectives without in any sense diminishing the federal government's long-standing commitment to an economically secure agricultural base. The recommendations advanced here reflect the view that strategic investments in developing new

market opportunities and in helping agricultural producers gain a larger stake in high-value-added enterprises can reduce farmers' need for current safety net programs in ways that are less susceptible to political uncertainty and international trade rules and that are revenue-neutral, in terms of overall federal spending. Four overarching themes connect these recommendations:

Securing a robust, economically vibrant future for American agriculture in the 21st century requires a more expansive and creative approach to farm policy. A continued federal commitment to the financial security and stability of the nation's farm community is essential at a time when globalization, technological change, environmental concerns, high energy costs, international pressure to cut traditional subsidies, and continued urbanization all pose new challenges for agriculture. To help farmers respond effectively while continuing to undergird U.S. competitiveness, federal policy must evolve to encompass a broader set of issues and successfully leverage multiple synergies.

An emphasis on new markets and on increasing farmers' equity share in value-added enterprises provides the best foundation for expanding opportunity in rural communities. Biofuels, renewable energy like wind power, carbon sequestration, and habitat preservation for recreation and hunting are just some examples of agriculture-related activities that can significantly augment and diversify future sources of income for America's farm families. Targeted policies are needed to increase farmers' stakes in the new wealth generated by these emerging markets.

Increasing the role of America's farms in energy production can be achieved at a net savings to the federal budget because increased demand for corn and other crops to serve the rapidly growing alternative-fuels market will naturally reduce outlays for traditional "safety net" programs. New economic research suggests that explosive growth in ethanol production will lead to higher prices not only for corn, but also for soybeans and wheat, as acreage now in these crops is shifted to corn. These market shifts are expected to dramatically reduce countercyclical and loan deficiency payments for certain crops, potentially freeing billions of dollars each year for farm programs that have broad political support and that generate promising, and ultimately more self-sustaining, economic opportunities in the long run.

Federal action to establish a mandatory program to limit greenhouse gas emissions is sensible and will provide agricultural producers with significant new market opportunities. The agriculture sector is in a unique position to lead in—and benefit from—efforts to address climate change. Expanded demand for biofuels is an obvious example, but ranch and farm lands are also well-suited for future development of renewable electricity sources (e.g., wind and solar power) and carbon sequestration.

#### SUMMARY OF RECOMMENDATIONS

Continue to provide economic stability through existing countercyclical programs, while investing in market-based opportunities for agriculture and addressing new sources of financial insecurity through a permanent disaster program:

First, the core of the federal farm program must be a strong countercyclical program based on the two countercyclical elements of the current farm bill: (1) a robust marketing loan program that treats all producers equally and (2) a partially decoupled countercyclical program. Individual farm benefits should be capped at \$250,000 per year and eli-

gibility to obtain benefits through more than one entity should be eliminated.

Second, Congress should eliminate the direct payment program and redirect funds for this program—along with savings generated by reduced countercyclical and LDP payments for corn, wheat, and soybeans—to permanent disaster assistance and promoting new income-generating opportunities for farmers in markets such as biofuels, renewable electricity, carbon sequestration, and conservation.

Third, Congress should establish a Value-Added Equity Creation Program to provide farmers and ranchers with no-interest revolving loans so that they can participate in high-value agriculture-related business opportunities, such as biofuels plants and wind projects. Producers should be eligible to participate if their primary occupation is farming and should be able to receive up to \$100,000 in interest-free loans for equity investments in qualifying value-added enterprises (as certified by the U.S. Department of Agriculture (USDA)).

Finally, in recent years, Congress has frequently passed annual emergency spending bills to provide agricultural producers with disaster assistance. While these measures have provided important relief to farmers and ranchers, they have been ad hoc in nature and off budget. As a result, Congress may decide to establish a permanent disaster assistance program, administered by USDA, to provide ranchers and farmers with assistance for clearly defined disaster conditions. If so, we recommend that Congress replace the current system of ad hoc off-budget emergency supplemental spending bills, make the permanent disaster assistance program on-budget as part of the Farm Bill, and include a reasonable benefit cap of \$250,000 per farm or ranch in any single year. If a reasonable benefits cap is imposed, net federal outlays for disaster assistance should be reduced compared with the current off-budget approach.

To promote biomass-based alternative liquid fuels, Congress should:

Expand and extend the recently-adopted renewable fuels standard (RFS) to reach at least 10 billion gallons per year by 2010, 30 billion gallons per year by 2020, and 60 billion gallons per year by 2030, as proposed in bipartisan legislation introduced in the U.S. Senate. This step would lead to expansion of biofuels markets beyond the E-10 market and spur new investment in the next generation of advanced biofuels technologies, such as cellulosic ethanol.

Promote the use of higher blends of ethanol in the existing fleet of automobiles by instructing the Environmental Protection Agency to conduct analysis of the viability of using higher blends of ethanol (including E-15, E-20, E-30, and E-40) in the existing fleet of automobiles by January 1, 2009.

Extend the existing volumetric ethanol excise tax credit (VEETC) to 2020 while simultaneously restructuring this program in ways that account for expected growth in corn ethanol production under an expanded national RFS. After the current tax incentive authorization expires in 2010, Congress should look for ways to ensure that the cost of the tax credit—in the context of other policies and expected ethanol production volumes—remains acceptable, while ensuring that new and innovative biofuels project are provided the support they need to be successful. Among the criteria that Congress should use to design the post-2010 biofuels tax credits are:

1. Limiting the overall cost of the tax incentives to the government;
2. Encouraging expansion of the industry by ensuring that investments in new plants and recently-built plants can be fully amortized;

3. Rewarding energy-efficient and low-carbon emitting technologies;

4. Ensuring that pioneering processes, such as those that convert cellulosic feedstocks like corn stover and switchgrass to ethanol, are economically competitive with fossil fuels;

5. Encouraging farmer ownership of ethanol plants;

6. Balancing domestic tax credits with an import duty of similar size, so that U.S. taxpayers do not subsidize ethanol imports to the detriment of American producers.

Extend the small producer renewable fuels tax credit beyond 2008 for plants that are at least 40 percent locally-owned and for cellulosic ethanol plants. Consolidate all cellulosic biofuels loan guarantee programs into a single program at USDA and establish an energy security trust fund to provide consistent funding for that program. Successfully commercializing the production of ethanol and other fuels from cellulosic (i.e., woody or fibrous) plant materials would dramatically expand the potential contribution of biofuels in terms of displacing current petroleum use and associated carbon emissions. Implementing many existing loan guarantee programs through three separate federal agencies makes little sense. USDA has considerable experience in implementing loan guarantee programs and expertise in evaluating biofuels projects through its Office of Energy. Therefore, Congress should consolidate all federal biofuels grant and loan guarantee programs at USDA and establish a national energy security trust fund to provide at least \$1 billion per year in loan guarantees and grants to promote necessary advances in production technology and bioscience.

Establish a demonstration cellulosic biofuels feedstock program. Congress should establish a new set-aside program to demonstrate how the cultivation and harvesting of cellulosic feedstocks could be accomplished in an economically attractive manner. Following the model of several existing programs, the 2007 Farm Bill should provide a modest payment to landowners who convert existing cropland to grow cellulosic biofuel feedstocks for nearby cellulosic biofuels plants in ways that improve wildlife habitat, reduce soil erosion, and protect water quality. New lands to be set aside under such a program should be capped at 500,000 acres for the duration of the 2007 Farm Bill.

Establish policies to encourage a rapid increase in the number of flexible fuel vehicles sold in the United States and the installation of E-85 pumps and blender pumps at gasoline stations. For example, we recommend extending the existing tax credit for installing E-85 refueling stations and redesigning it to provide relatively greater benefits in the near-term to encourage more rapid deployment of E-85 infrastructure. We also recommend clarifying that blender pumps be eligible for the tax credit, since in the long run it will make more sense to install blender pumps that are capable of dispensing a range of ethanol blended fuels. Congress also should consider more attractive expensing and accelerated depreciation options to encourage installation of E-85 and blender pumps in lieu of tax credits.

To promote renewable electricity production and other renewable energy projects on farms and ranches, Congress should:

Establish a national renewable portfolio standard (RPS) along with complementary policies to promote maximum development of cost-effective renewable energy potential on agricultural lands. Such policies to promote renewable energy have been adopted by 21 states and the District of Columbia and Congress should now take action to adopt a

portfolio requirement at the federal level. Moreover, federal policies to promote renewable energy should encourage the siting of new projects on farm or ranch lands whenever possible. Given that the use of these lands would be far preferable to new development in wilderness areas and would simultaneously provide important economic benefits for rural communities, an appropriate policy goal would be to satisfy at least two-thirds of a national RPS with renewable energy production on agricultural lands. In addition, a federal RPS should be designated to complement and not pre-empt any state requirements (which may be more ambitious) and should apply equally to all large retail electricity providers. (To simplify implementation requirements and to address supply and price concerns, it may be appropriate to exclude rural electric coops and small municipal utilities.)

Expand and strengthen existing programs outside the Farm Bill that promote renewable energy development and related technology advances. To provide investment certainty, existing renewable-energy production tax credits (PTCs) should be extended for ten years and funding for related research, development, demonstration, and early deployment efforts should be increased. In addition, such programs should be modified so that incentives can be taken against non-passive income. The Community Renewable Energy Bonds (CREBs) program should be extended and expanded, with a substantial sum set aside for rural electric cooperatives and municipal utilities.

Establish a Rural Community Renewable Energy Bonds program to provide a federal incentive for local private investment in renewable energy to complement the PTC and CREBs programs. This new initiative would be limited to projects of not more than 40 MW; where at least 49 percent of the project is owned by entities resident within 200 miles of the project site.

Expand the capacity of the existing federal power administration transmission system. The federal power marketing administrations (PMAs) own and manage a vast network of existing power lines, which should be substantially expanded to provide the additional capacity needed to tap cost-effective renewable energy resources. Congress should direct the federal power administrations to pursue this objective under a structure in which non-benefiting PMA customers do not shoulder the cost and preference is given for system investments that maximize promising opportunities for renewable energy development on agricultural lands. Priority should be placed on the expansion of the Western Area Power Administration (WAPA) and Bonneville Power Administration (BPA) transmission systems. The PMAs also should be authorized and encouraged to enter into partnerships with non-federal parties for the siting, planning, and construction of transmission lines; the participation of PMAs can streamline siting by avoiding multiple state siting authorities.

The Department of Energy (DOE) should designate the Heartland Transmission Corridors "National Interest Electric Transmission Corridors" pursuant to the Energy Policy Act of 2005. Federal assistance in the form of an expanded role for WAPA as a facilitator for planning and investment, and a 20 percent matching investment from the federal government would go a long way toward addressing cost and siting hurdles, encouraging state cooperation, and ensuring that needed transmission system enhancements are implemented.

Congress should authorize \$1 billion per year for five years to provide tax-exempt bonds for the construction of transmission facilities (or the expansion of existing facil-

ties) where such construction or expansion is cost-effective and offers substantial public policy benefits in terms of facilitating the development of clean, domestic renewable resources. Under such a program, loans would be provided by eligible government entities to qualified private entities seeking to finance eligible transmission infrastructure. Such bonds would assure the availability of financing for transmission at significantly lower cost than presently available in the market. They could be used both for new transmission and for upgrades to existing facilities (for example, to address transmission constraints in west Texas and Minnesota, where substantial wind development opportunities exist, or to access renewable energy projects anticipated as a result of the Rocky Mountain Area Transmission Study (RMATS) in the Western Interconnect. In addition, current private use restrictions applicable to projects that receive tax-exempt bonds should be reviewed to assess whether they create unnecessary additional hurdles to investment.

Explore further opportunities for an expanded federal role in directly facilitating the implementation of, and providing resources for, investments to enhance grid capacity and to promote a more efficient, seamless, and reliable transmission system nationwide.

Reauthorize and expand USDA's Energy Audit and Renewable Energy Development Program under Section 9005 of the 2002 Farm Bill. This program to assist farmers, ranchers, and rural small businesses in becoming more energy efficient and in using renewable energy technology and resources has never been funded. It should be reauthorized with a goal of performing audits of 25 percent of all farms and ranches over the time horizon covered by the next Farm Bill and funds sufficient to achieve that goal should be appropriated in the future.

Reauthorize and expand USDA's Rural Development Business Renewable Energy and Energy Efficiency Program (Section 9006 of the 2002 Farm Bill). This program currently provides a modest number of grants—\$23 million per year—to support renewable energy and energy-efficiency projects. Future funding should be scaled up over the next 5 years to at least \$500 million per year and the program should be expanded to enable participating agencies to provide grants for feasibility studies and loan guarantees for project development. As long as feasibility studies are accurately performed, the cost to the federal government of providing loan guarantees for up to 75 percent of project costs should be fairly small. In addition, Congress should consider modifying the program to (1) increase loan guarantees for cellulosic ethanol facilities to at least \$100 million per project, and \$25 million for other projects, (2) create a rebate program to streamline the application process for smaller, standardized projects by reducing the paperwork burden, and (3) expand eligible applicants to include agricultural operations in non-rural areas (such as greenhouses) and schools.

To promote markets for carbon sequestration and other cost-effective greenhouse-gas mitigation measures on farm and ranch lands, Congress should:

Establish a national, mandatory, market-based program to reduce economy-wide greenhouse gas emissions that provides substantial market opportunities for cost-effective carbon sequestration on farm and ranch lands. Specifically, agricultural producers should have the opportunity to participate fully in the carbon markets that will be created under a greenhouse gas trading program. To facilitate this participation, priority must be given to establishing robust, well-defined protocols for measuring and

verifying carbon reductions achieved through terrestrial sequestration.

Establish tax incentives, such as federal tax refunds for local and state property taxes, for farmers and ranchers who enroll land in a carbon trading program that works in tandem with entities that buy, sell and trade carbon credits.

Direct USDA to work with other state and federal agencies on continued economic and technical research on different options for sequestering carbon and on better methods of documenting sequestration for market participation.

To advance widely supported environmental habitat-preservation, and open-space objectives while creating additional income-generating opportunities for farmers and maximizing potential business opportunities related to hunting, fishing, and other forms of outdoor recreation, Congress should:

Expand existing conservation programs:

1. Expand the Conservation Reserve Program at 40 million acres;
2. Expand the Wetlands Reserve Program at 5 million acres, with annual enrollment capped at 250,000 acres per year;
3. Expand the Grasslands Reserve Program at 5 million acres, with annual enrollment capped at 500,000 acres per year;
4. Increase funding for the Farm and Ranch Lands Protection Program to at least \$300 million per year.

5. Implement the Conservation Security Program on a nationwide basis on all working lands.

Enact "Open Fields Bill" to provide \$20 million per year in federal funds to supplement state "walk in" programs that give farmers and ranchers financial incentives to expand public access to their lands.

## EXHIBIT 2

Hon. HARRY REID,  
*Majority Leader,  
U.S. Senate.*

Hon. JEFF BINGAMAN,  
*Chairman, Energy & Natural Resources Committee, U.S. Senate.*

Hon. MITCH MCCONNELL,  
*Minority Leader, U.S. Senate.*

Hon. PETE V. DOMENICI,  
*Ranking Member, Energy & Natural Resources Committee.*

Dear Senators REID, MCCONNELL, BINGAMAN and DOMENICI: As a diverse group of corporations, manufacturers, electric utilities, renewable energy developers, labor organizations, farm groups, faith-based organizations and environmental advocates, we are writing to urge the Senate to include a national renewable portfolio standard (RPS) in energy security legislation that may soon be considered by Congress. An RPS is an essential component of a broader national energy strategy, because it will help the nation to take full advantage of the abundant domestic renewable resources available for the generation of electricity.

An RPS is a market-based mechanism that requires electric utilities to include a specific percentage of clean, renewable energy in their generation portfolios, or to purchase renewable energy credits from others. By substantially increasing renewable electricity generation, the RPS would enhance national energy security by diversifying our sources of electric generation. At a time when the United States is increasing energy imports, an RPS would make America more energy self-reliant. The reduction in the use of fossil fuels to generate electricity would also limit fuel price volatility, which is important to both industry and consumers. In fact, the U.S. Department of Energy's own Energy Information Administration has found in several studies that an RPS would actually cause natural gas prices to decline.

Increasing the market share for renewable energy resources would also have substantial environmental benefits. An RPS is one of the most important and readily available approaches to reducing greenhouse gases from the electricity generation sector. In addition, an RPS also would help reduce conventional pollutants including nitrogen oxide, sulfur dioxide and mercury emissions.

Moreover, a national RPS will produce substantial economic benefits. The additional investment in renewable electric generation would create hundreds of thousands of well-paying jobs. In addition, because many renewable resources are located in remote areas, rural America will experience a substantial economic boost.

We believe the time has come for Congress to move quickly to enact national RPS legislation. The costs of inaction for our environment, national security and economy are too high. Although more than 20 states have adopted individual RPS programs, the country will not realize the full potential for renewable electricity without the adoption of a Federal program to enhance the states' efforts.

Thank you for your consideration of this important matter.

Sincerely,

GE, BP America, Inc., National Venture Capital Association, Miasole, Wisconsin Power and Light, National Council of Churches of Christ in the USA, Technet, APX, Inc., Alliant Energy, Sempra Energy, Shell Wind Energy, Inc., Solar Turbines, Inc., Business Council for Sustainable Energy, Alliant Energy, Invenergy LLC, Owens Corning Composites System Business, Leeco Steel, Clipper Wind Power, Inc., Google, United Steelworkers, Edison International, Pacific Gas & Electric, Union for Reform Judaism, GT Solar, PPM Energy, Inc., Avista Utilities, Horizon Wind Energy, Enel NA, D.H. Blattner and Sons, Applied Materials Inc., Greene Engineers, Oregon Steel Mills, LM Glasfiber ND, Inc., Noble Environmental Power, enXco, Interstate Power and Light, National Audobon Society, American Wind Energy Association, Blue Green Alliance, Big Crane & Rigging Company, Iberdrola U.S.A., Natural Resources Defense Council.

DMI Industries, Union of Concerned Scientists, Lake Superior Warehousing, Rocky Mountain Farmers Union, Pennsylvania Interfaith Climate Campaign, Interfaith Power & Light, Environmental Law and Policy Center, Western Organization of Resource Council, ATS Wind Energy Services, BioResource Consultants, Bosch Rexroth Corporation, Castle & Cooke Resorts, Chermac Energy Corporation, Dominion Energy, EFormative Options, Energy Unlimited, EnerTech, Environmental Stewardship & Planning, Eurus Energy America, FPC Services, Generation Energy, Green Energy Technologies, Gro Wind I, Highland New Wind Development, Knight & Carver, LAPP Resources, Louis J. Manfredi Consulting, Mackinaw Power, Mizuho Corporate Bank, Nordex USA, Old Mill Power Company, Otech Engineering, Phoenix Contact, Renewable Energy Consulting Services, San Gorgonio Farms, SIPC (MLS Electrosystem), TCI Renewables Limited, Tideland Signal, Trinity Structural Towers, Varelube Systems, Wind Capital Group, Wind Utility Consulting, WindLogics, Windsmith.

PowerWorks, Physicians for Social Responsibility, McNiff Light Industry, Citizen's Utility Board, Great Southwestern Construction, RES America, JPW Riggers, AES Wind Generation, Suzlon Wind Energy, U.S. PIRG, University of Alaska, Fairbanks, Atlantic Testing Laboratories, National Environmental Trust, AWS Truewind, Big Stone Wind, CAB, Inc., Bluewater Wind, BQ Energy, Competitive Power Ventures, Chinook

Wind, EcoEnergy LLC, Electric Power Engineers, Enerpro, FAW Foundry, Foresight Wind Energy, Excellent Energy Solutions, General Compression, Hopwood, Greenwing Energy, Hailo, HMH Energy Resources, Pandion Systems, ReEnergy, Tamarack Energy, Mariah Power, Molded Fiber Glass Companies, Oak Creek Energy Systems, Sierra Club, Padoma Wind Power, Project Resources, RSMR Global Resources, Signal Wind Energy, Sustainable Energy Strategies, The Conti Group, TMA, Inc., Oregon Rural Action, Venti Energy, Wind Turbine Tools, Windland.

WindRose Power, Winergy Drive Systems, Winergy Power, Appropriate Energy, Castaic Clay Products, Cannon Power, TOWER Logistics, Energy Development and Construction Corp., Institute for Environmental Research and Education, RENEW Wisconsin, Fallon County Disaster & Emergency Services, Stevens County (KS) Economic Development, Dakota Resource Council, Montana Department of Environmental Quality, West Wind Wires, Interwest Energy Alliance, Concord Energy Policy Group, Renewable Northwest Project, Friends Committee on National Legislation, American Lung Association of the Central States, Tompkins Renewable Energy Education Alliance, Alaska Wilderness League, 1000 Friends of Wisconsin, Citizens Campaign for the Environment, Grassroots Citizens of Wisconsin, NH Sustainable Energy Association, Southwest Wisconsin Progressives.

Cabazon Wind Energy, Zephyr Lake Energies, Hodge Foundry, Commonwealth Capital Group, Mankato Area Environmentalists, Clean Wisconsin, Missourians for Safe Energy, Oklahoma Wind Power Initiative, OverSight Resources, Kansas Rural Center, Chesapeake Climate Action Network, Greenpeace, Southern Alliance for Clean Energy, Clean Power Now, RMT/WindConnect, The Land Institute, Western Colorado Congress, Idaho Rural Council, Clean Water Action, Coulee Progressives, League of Conservation Voters, Penn Future, REACH for Tomorrow, The Minster Machine Company.

EXHIBIT 3

FPL GROUP, INC.,  
Washington, DC, June 11, 2007.

Hon. JEFF BINGAMAN,  
*Chairman, Committee on Energy and Natural Resources, Washington, DC.*

DEAR CHAIRMAN BINGAMAN: Please consider this letter an endorsement of the Renewable Portfolio Standard (RPS) amendment you intend to offer during upcoming Senate consideration of energy legislation.

As you may know, FPL Group, comprised of two major subsidiaries, Florida Power & Light (FPL) and FPL Energy (FPLE), is one of America's cleanest, most progressive energy companies. Our commitment to the environment is manifested by FPL's diverse generation mix and by FPLE's largely renewable energy portfolio. FPLE operates two of the largest solar projects in the world, over 1,000 megawatts of hydroelectric power, a number of geothermal projects and several biomass plants. Additionally, FPLE is the world's largest generator of wind power.

We appreciate your leadership on this important issue and support your efforts to enact a fair and balanced RPS in order to increase the amount of non-emitting electricity generation in the United States.

Sincerely,

MICHAEL M. WILSON,  
*Vice President, Governmental Affairs.*

EXHIBIT 4

NATIONAL FARMERS UNION.

June 11, 2007.

Hon. HARRY REID,

*Majority Leader, U.S. Senate, Washington, DC.*

Hon. JEFF BINGAMAN,

*Chairman, Energy & Natural Resources Committee, Washington, DC.*

Hon. MITCH MCCONNELL,

*Minority Leader, U.S. Senate, Washington, DC.*

Hon. PETE V. DOMENICI,

*Ranking Member, Energy & Natural Resources Committee, Washington, DC.*

DEAR SENATORS REID, MCCONNELL, BINGAMAN, and DOMENICI: On behalf of the farm, ranch and rural members of National Farmers Union (NFU), I am writing to urge you to support inclusion of a strong national renewable portfolio standard (RPS) in energy security legislation and oppose attempts to weaken it when the Senate considers this issue in the coming days.

Rural America has the greatest potential for generating significant amounts of clean, renewable energy. A RPS that ensures a growing percentage of electricity is produced from renewable sources, like wind power, will provide long-term, predictable demand that will allow the industry to attract investment capital and rural America to harness wind energy potential.

Passage of a robust RPS will significantly accelerate efforts to enhance our energy security by diversifying our sources of electricity and limiting our dependence on foreign sources of energy. Additionally, a RPS would create new economic opportunities in rural America. Local, community and farmer-owned renewable energy development projects are key to providing economic and social benefits, while providing an economic base for further rural economic development. A robust RPS would create hundreds of thousands of good paying jobs, provide billions of dollars in new income to farmers and ranchers and generate significant local tax revenues that can be used to fund other important priorities.

NFU believes Congress should move quickly to enact national RPS legislation and we urge you to support efforts to do so during floor consideration of the Renewable Fuels, Consumer Protection and Energy Efficiency Act of 2007.

Sincerely,

TOM BUIS,  
*President.*

EXHIBIT 5

AMERICAN WIND ENERGY ASSOCIATION,

June 11, 2007.

Re Please Support Bingaman RPS Amendment, Oppose Domenici CPS Amendment

Hon. HARRY REID,

*Senate Majority Leader, Washington, DC.*

Hon. JEFF BINGAMAN,

*Chairman, Committee on Energy & Natural Resources, Washington, DC.*

Hon. MITCH MCCONNELL,

*Senate Minority Leader, Washington, DC.*

Hon. PETE V. DOMENICI,

*Ranking Member, Committee on Energy & Natural Resources, Washington, DC.*

DEAR SENATORS: As the full Senate begins consideration of comprehensive energy legislation this week, the American Wind Energy Association (AWEA) respectfully urges Senators to vote in favor of the Bingaman renewable portfolio standard (RPS) amendment and against the Domenici clean portfolio standard (CPS) amendment.

In order for our nation to seriously address the challenges of energy security and global climate change we need an effective renewable electricity standard that will drive new investment and job growth in the renewable energy sector. The Bingaman RPS proposal

would assure crucial progress toward this vitally important objective. Unfortunately, however, the Domenici CPS amendment includes numerous exemptions and loopholes that would undermine the effectiveness of the effort to promote renewable energy.

A core weakness of the CPS proposal is its inclusion of language that could allow virtually any form of electricity generation to qualify as "clean." The CPS amendment would allow the Secretary of Energy to designate "other clean energy sources" that could qualify for clean energy credits without placing any parameters on such designations. In addition, it is noteworthy that utilities would receive credit for electricity generated from technology that captures and stores carbon, but the amendment does not specify that a utility must actually employ carbon capture and storage to receive credits.

Also of concern is an important loophole in the CPS amendment that would allow states to waive program requirements. The CPS amendment would allow states with existing requirements to opt out of the Federal requirements based solely on the state's own determination that it has a measure in place that is "comparable to the overall goal" of the Federal program. This vague standard is not further defined. In contrast, the Bingaman RPS proposal would not interfere with the ability of utilities to comply with state RPS programs. The state opt-out provision in the CPS proposal would lead to substantially reduced renewable energy investment and employment.

Our nation's citizens overwhelmingly support increasing the generation of electricity from renewable sources like wind, biomass and solar power. The Bingaman RPS amendment would meet this demand and put our nation on a path that increases the role of clean domestic energy in meeting our electricity needs. We urge its enactment without the addition of weakening changes such as those included in the Domenici CPS amendment.

Thank you for your time and attention to this vitally important matter.

Sincerely,

RANDY SWISHER,  
*Executive Director.*

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, Senator DOMENICI will be to the Chamber in a few moments and is preparing to speak to the second degree to the Bingaman amendment the chairman has outlined. In doing so, I will touch for a few moments on some of the differences between an RPS and a CPS and some of the value of broadening the portfolio Senator BINGAMAN is talking about to create greater advantages nationwide for a larger amount of clean energy.

There is no question that RPS, as we know it, invented in the mid-1990s as a concept, evolving now to 23 States having accepted some form of an RPS standard, has a very strong bias for wind and biomass. It is there. We subsidize wind today. The letter the Senator introduced from the wind industry is reflective of the phenomenal subsidy they get and the advantage they get.

We create a market niche for them with an RPS, and then we subsidize them. Frankly, I am for that. Wind energy and the more of it we can have is the right energy, along with all other forms.

What the Senator did not say was the Southeast is dramatically disadvan-

taged because they don't have wind. As a result, they have to go buy or be taxed to offset the differences. That is unfair. Many of us believe it is unfair. We also believe RPS is not an obsolete standard but an old one.

About 3 years ago, people looking at a broader portfolio of energy said: We ought to expand the standard. Today's mantra in energy, whether it is the Senators from New Mexico or this Senator, who is one of the senior members of the Energy Committee, is: Clean. America will not build new energy production unless it is clean. That is what RPS was originally heading us toward—cleaner renewable energies. So why shouldn't we expand that portfolio from wind and bio to some additional new forms—new nuclear, very clean; new hydro, yes, but limited; coal sequestration or carbon sequestration, clean; efficiencies, less use, less demand. Shouldn't they also be in this new portfolio? I say yes. America, when they understand it, would say yes.

Right now there is a niche market, a very narrow one, for limited use in certain capacities and greater use in others. I see windmills coming up across my State today. Why? Because we have wind, and they are subsidized. There is an advantage to do so. But you don't see windmills coming up in Florida and other places in the South because there is not the kind of prevailing winds that sustain a 25- to 30-percent production efficiency of these particular kinds of units.

Senator DOMENICI has just arrived. I will let him pick up the debate because he has led with this issue. I have been a supporter of it and have helped develop this issue. I believe it is time we modernize, move to clean energy, and reward the utilities that produce clean energy. It does not disadvantage an RPS. It simply expands and modernizes it into the concept of energy we are looking for today in the American energy portfolio.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I apologize to Senator BINGAMAN for not hearing all of his speech. I was detained. They told me he had started. I thought they would tell me a few minutes before. I had to drive from downtown. I apologize for that.

Senator BINGAMAN and I have been doing our best to remain bipartisan. But on this issue, I can't do that. He will go his way and I will go mine. His amendment is on the bottom and my amendment is on top. I have offered mine as a second-degree amendment to his. My recollection of how we do this, when time has run out, unless other arrangements are made—and they could be—mine would go first.

I thank the cosponsors. Senator CRAIG has just told us that he is a cosponsor. He worked very hard. Clearly, you can see from the morning's work that Senator PETE DOMENICI, ranking

member of the committee, is pretty lucky. He can step down and go out and leave things vacant for a little while, and the man behind me, LARRY CRAIG, will soon take over. No one will know anything was missed. If anything, they will figure things got better. He is very good at it, and I thank him for all the help he has given me. Other cosponsors are Senators BENNETT, CRAPO, GRAHAM, and MURKOWSKI.

I am saying there is a far better way to reach the goals Senator BINGAMAN wants, and we don't have to harm so many States in doing it. What we ought to know right up front is that you have to go ahead and choose something. Senator BINGAMAN chose to put two or three things in his. Before I am finished, I think I can convince you that everybody who has looked at it says that in its application, it is predominantly a wind amendment. It says a couple other things, but when you look at it as to what is done, I am safe in calling our battle a battle between wind in every State, forced upon them at the level of 15 percent of what their utilities use in energy. Every single State will have to have that by a time certain, whether they can do it or not. If they can't do it, they will be penalized.

I want to take a quick look at this map. Here is a map that shows what we are talking about. If you look at it, you see the United States. You see the eastern seaboard is white. Then you see some inlets of water. Then you see it is white again. That means there is not enough wind in those areas to move the wind turbines enough for them to be used to accomplish the goals of this bill. Then if you look out in the western part, you see very big pieces of the West that are white, all the way through this white versus blue and dark blue. The white is what Senator BINGAMAN calls wind energy. It is clean, but it is wind. I don't believe we should do it that way.

I have said, since you all want something, I am going to suggest that you want clean—not his words, my words—a clean energy portfolio. If it is clean and available, you ought to put it in so they can use it. So you will find that is what I have done. The clean energy portfolio standard provides a comprehensive, technology-neutral program to ensure that clean energy will make up for an ever-increasing portion of our Nation's electricity operation. The clean portfolio standard requires electric utilities to produce a set percentage of electricity from clean energy sources, ramping up to an enforceable goal of 20 percent by 2020. So it is 20 by 20, and it is a clean portfolio. Rather than pick winners and losers—and I stress this—rather than pick winners and losers between various clean technologies that are or will be available in the future, the clean portfolio standard provides for all sources of clean energy—including solar, wind, geothermal, biomass, landfill gas, hydropower, new nuclear power, and fuel

cell quality—under the program. The clean portfolio also provides credit for innovative technologies that will allow future traditional fuels to be burned in a way that captures and sequesters carbon emissions. We are going to do that. Somebody is going to make that breakthrough.

Our bill provides that they can come in. Credit is further provided for reductions in electricity usage from programs that provide efficiency and lower the amount of power that needs to be generated in the first place.

Energy efficiency efforts such as demand response should be part of the solution. Everybody tells us that demand response is a way that, by managing it properly, you can get a very significant savings.

Finally, since we have faith in American engineers, the clean portfolio standard encourages innovation by giving the Secretary of Energy authority to provide credit for new clean technologies that may just be a twinkle in the inventor's eye but which may revolutionize the way we produce and use electricity. If that occurs during the time, clearly it should be permitted to come in. It doesn't have to be here yet. If it is invented in 5 years, we thank the Lord and put it in and use it. We don't operate in stagnation and say: You are outside of our window. You are clean, but you don't come in. We don't give you credit. You go on with that same old wind technology.

I am going to invite my friend from Tennessee, LAMAR ALEXANDER, to come down and share again with us what he thinks about what he calls a wind economy. I can't give that speech. I am not that good. But I sure listen to him because I think he is right. I don't believe we want wind as the test of providing an alternate renewable in every State in the Union, even if there is insufficient wind. And we don't want those States paying fines because they can't come in. I don't think Senator BINGAMAN wants to pull out the States—I don't know how many it would be, 10, 12, 13—and say: We aren't going to do anything there. I think if he did, he couldn't call it national. But he certainly would gain a lot of support if it was fair. To make it fair, you cannot impose the same regulated wind requirement on States that have no wind and then say: Let's vote on this bill. The bill should not be voted on in that way. In fact, those States that have it that way ought to come down here and say: We can't vote on this bill. It is so obviously wrong that we should not do it.

Finally, since we have faith, we are going to expect innovation to be offered to the Secretary of Energy while the years run. That innovation, if it produces something, will come to us and be put into the package we are talking about that will start taking away white and turning it into blue because we put new technology into the area.

Unlike the RPS, the clean portfolio, the CPS, doesn't pick winners or los-

ers. Unlike the RPS, the clean portfolio standard recognizes that regional differences in resources and geography mean that we can't create a one-size-fits-all. That is what I believe. That is what I believe the Senate is going to say. Why pick a one-shoe-fits-all, when you can't get it in. You can't get any foot in on the white up here in the north because you can't get that much in the foot. You can't create one that will put it in and still have essentially what is in the Bingaman amendment.

Take a look at the chart from the National Renewable Lab. It shows where our Nation's wind resources are located. Wind has no application in the Southeast. The resources simply are not available in an entire region of the country.

We cannot ignore the reality that utilities in some regions cannot meet the RPS mandate with the limited resources permitted because they are located in regions that are not blessed with ample renewable resources.

Wind power is the clear winner under an RPS. Advocates of the Federal RPS call it the "wind power legislation." They are right—the only way to reach a 15-percent requirement from the limited number of renewable resources permitted under the Bingaman amendment is from wind power.

Wind is the clear winner in the RPS. This chart I have in the Chamber is based on an estimate prepared by Global Energy Decisions. As you can see, wind will be used overwhelmingly to attempt to meet the RPS requirement. The Union of Concerned Scientists concurs, estimating that two-thirds of the RPS requirements would likely be met by new wind generation. I have told you that already, that it would be almost all wind. Now I am telling you that scientific groups that analyzed it agree with what I said.

The Federal Government has supported wind power development since 1992. I am not saying that is wrong. In fact, there will be much wind produced under the Domenici amendment because much of the renewables will be wind. It is that every State will not be required, and some will not have any because they cannot produce any.

The Federal Government has been allowing a production tax credit since we first adopted it in 1992. Since then, we have spent in excess of \$2 billion on wind power development—from R&D, to the tax credit, to clean renewable energy bonds.

We have made a lot of progress in the past 15 years. In 2006, installed wind power capacity was 11,600 megawatts—enough to power 3 million homes. The wind industry continues to grow. With a good subsidy, we continue to give it to them. An additional 3,000 megawatts is going to come on line by the end of 2007.

So we support wind power. Wind power is included in the clean portfolio standard I offer today.

What is interesting is—you have to think ahead with me—the Bingaman

portfolio is almost all wind. How many years do we intend to support wind with a subsidy so that this system will work? Without wind, it will not work. It seems like right now, without a subsidy, it will not work. I do not know what the scientists working on it say. Will it soon not need any subsidy? They may say the subsidy can start going away. Or how many years will it be they will have to have it? That puts me to thinking whether you should have it at all.

Today, we have only Senator BINGAMAN's amendment and mine—both of them. His has all wind, and we have some wind, so we are kind of admitting we are going to keep it as long as we can and pay for it as long as we can so we can have that kind of nationwide—or partially nationwide—program.

For the one I suggest, the clean one, obviously, we use less wind and will still be clean, and no States will pay any fines, no States will be given any slips that they are entitled to money in the future.

The clean portfolio standard results in more clean energy actually produced. It is not watered down. The clean portfolio standard would impose a 20-percent standard—a full one-third higher—yet the proponents of the RPS claimed this is a "watered down" program. What is their complaint? That we allow a greater number of resources to qualify for credits under this program?

It is true the clean portfolio standard allows the use of any nonemitting source of power: including expanded hydropower, new nuclear powerplants, fuel cells, clean coal technologies that capture and sequester carbon, and energy efficiency to meet the 20-percent standard.

Thus, the clean portfolio standard allows the use of a greater variety of technologies to meet a higher standard. The goal of this amendment is to provide a greater amount of clean energy from a greater diversity of energy sources. Obviously, the clean portfolio standard does this much better than the RPS proposal.

Mr. President and fellow Senators, the clean portfolio standard allows States that develop their own portfolio standards to opt out of the Federal program. Some are trying to label this provision as a loophole. It is not. Instead, it is a recognition that States should be afforded the right to develop their own clean portfolio approaches without Federal interference. We should not penalize those States that already have forged ahead by imposing an inconsistent Federal mandate.

The Federal RPS could cost billions. Here is an estimate prepared by Global Energy Decisions. GED estimates which States can and cannot comply with a Federal RPS. As shown on the chart, the orange States do not have the necessary renewable resources to comply with an RPS. The majority of the States—27—will not be able to meet the mandate.

Let's look at this another way—by population. This pie chart I have in the Chamber represents those that will not be in compliance with a 15-percent renewable portfolio standard. About two-thirds of the U.S. population—66 percent—will not be able to meet the new standard.

How will the States' inability to meet this new electricity mandate impact consumers? It is going to cost billions.

I have another chart. According to the study prepared by Global Energy Decisions, the cumulative costs to consumers to comply with the RPS is \$175 billion. The States hit the hardest are those in the Southeast without access to wind power; Florida, Georgia, North Carolina, Alabama, Kentucky, Tennessee, Arkansas, Louisiana, and South Carolina.

The EIA recently concluded a study on the 15-percent RPS mandate and found it would cost consumers \$21 billion. Obviously, that is still a tremendous cost to pass on to the consumer. However, the EIA has used some questionable assumptions in its analysis that have been rejected not only by the utility industry but by all 10 Southeastern public utility commissions—bi-partisan watchdogs for the ratepayers.

With this amendment, we keep our eye on the ball. The true goal of this legislation is an increase in the amount of electricity generated by clean technologies, reducing the emissions in our environment.

Our goal is not to promote one or two or three specific technologies over another. In fact, the only way to ensure that the cost to the consumer is mitigated to the maximum extent is to avoid the temptation to pick winners and losers between technologies that all move us toward one goal.

To limit the number of qualifying resources to a handful of existing technologies is to ignore the history of rapid acceleration of scientific and technological development in this country.

Do the sponsors of the RPS truly believe that innovation is dead? Only a handful of existing technologies qualify under the RPS. This assumes there will be no breakthroughs in the way we produce electricity for the next 23 years.

I believe the incentive of a clean portfolio standard, combined with environmental concerns and rising prices for traditional fuels, will produce an ideal climate for technological innovation.

I ask my colleagues to support this amendment. I think it is the best way to do it. We will have more to say during the afternoon.

With that, I yield the floor and thank the Senate for the time I was given and for listening.

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I shall not take a great deal of time. I simply

rise to express my support for the amendment offered by the senior Senator from New Mexico. He has thought the matter through very carefully and described, I think, a hopeful approach, one that recognizes technology in the energy business is constantly changing, that opportunities are arising that we may not even think of now.

One area where I have shown an interest is tidal energy, and we are in the infancy of finding out about that. We need to have an open-ended opportunity to find alternative energy sources.

So with that, I thank the Senator from New Mexico for his leadership on this issue and am happy to be a cosponsor of his amendment.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me make a few comments in response to my colleague's statement and in opposition to his amendment, which he has designated the clean energy portfolio standard. I think people need to understand what his amendment provides, and let me try to explain that.

This amendment purports to be significantly stronger than the 15-percent requirement I have proposed as part of the renewable portfolio standard I have sent to the desk. It actually, though, accomplishes very little in driving the development of new technologies for electricity supply.

The amendment talks about a target of 20 percent clean energy resources by 2020, but when you look at it carefully, it is a recipe for business as usual, given all the other things that are going on and in the planning stages.

There are various reasons why I say that. First of all, it is very clear from his amendment that existing nuclear power is subtracted from the base against which the requirement is measured. Now, what does that mean? What that means is that instead of taking 100 percent, you say: OK. How much of our current electricity supply comes from nuclear power? About 20 percent. You subtract that, and you are then left with the remaining 80 percent; and that remaining 80 percent is what he calculates his 20 percent against. So, in fact, 20 percent of 80 percent gets you down to 16 percent—rather than a 20-percent requirement.

He also has a provision in here that says incremental nuclear power is counted for full credit. Now, that means any new powerplant that is built is new energy and helps to meet the requirement that would be imposed by his amendment. Let me say, first of all, I worked very closely with Senator DOMENICI in supporting additional incentives and additional supports—subsidies, in fact—for the nuclear energy industry in the 2005 Energy bill we passed. We put a variety of things into law to encourage the construction of new nuclear powerplants in this country. We put in regulatory risk insurance. We put in a production tax credit, which I think was 1.8 cents per kilo-

watt-hour for the first 10 years you had one of these new nuclear powerplants in production. We extended the Price Anderson Act. We had loan guarantees for the construction of new nuclear plants—the first six, I believe. We had a substantial increase in funding for nuclear research and development, and we had a transfer to the Federal taxpayer of much of the expenditure for safety and security that would otherwise have been borne by the industry.

So there are a lot of things in there to support the nuclear power industry. I still believe those are very good provisions, and I am in no way backing away from those. But now my colleague has come to the floor and said: OK, now let's give them another subsidy, another incentive to build nuclear power by including them as one of the ways you would meet the requirement of this clean energy portfolio standard.

As I am sure anybody who was paying attention to our discussion yesterday would know, I believe Senator DOMENICI made this point very strongly: Since we passed the 2005 bill, there has been a resurgence in interest on the part of various companies that want to build new nuclear powerplants. I think there are some 30 letters of intent currently pending at the Nuclear Regulatory Commission stating that companies are looking seriously at filing applications for the construction of new powerplants. So the expectation is that we are going to have a lot of new nuclear powerplants constructed in this country over the next decade, and I, frankly, hope we do because I think that is an essential part of meeting our energy needs. But we do not need to further incentivize that by including them as part of a renewable or a clean energy portfolio standard as the Domenici amendment would have us do.

He talks about how the amendment I have offered is strictly a wind type of incentive; it is a program to encourage construction of more wind energy.

That is directly contrary to what has been stated by the Energy Information Administration. In their analysis, they concluded very clearly that wind energy would be expected, under this amendment I have offered, to increase 50 percent; that biomass energy production, electricity production from biomass, which is already twice as large as energy production from wind, would be expected to increase 300 percent rather than 50 percent, as is the case with wind; and that energy production from solar would be expected to increase 500 percent. So it is clear to me that this is not just a wind energy amendment I have proposed. Our amendment talks about meeting the requirements from solar power, from wind power, from geothermal power, from biomass power, from ocean.

The Senator from Utah was just on the Senate floor talking about his support for the idea of energy from tidal waves. We have that included. That is one of the new renewable energy

sources which we contemplate. Incremental hydro—so that if we have a hydroelectric facility and one wants to increase the amount of power from that facility, we count that against the requirement; landfill gases as well. So I think all of that is included, and all of it would be increased significantly.

Let me also talk about the issue of subsidies. I went through a list of the various subsidies we provide in the 2005 bill for the nuclear power industry, and I support every one of those. I think that was the right thing to do. But let me just be clear that we have subsidies for a great many types of energy sources, including tax deductions, loan guarantees, liability insurance, and provisions for leasing of public lands at below-market prices. Some, like the depletion allowance for oil and gas, are permanent subsidies that are built into the Tax Code, and I am not suggesting they need to be repealed. I am just pointing out the largest subsidy—and I think any economist would make this point and would agree with this point—the largest subsidy is an invisible subsidy, the fact that the environmental impacts from use of fossil fuels are nowhere reflected in the cost of those energy sources. That is what has caused our problem with greenhouse gas emissions. That is why—it does not cost anything to pump 100 tons of CO<sub>2</sub> or other greenhouse gases into the atmosphere. There is no cost to the person who is producing their energy for those fossil fuels. There is a cost to society, and we are beginning to understand what that cost is. But the idea of a major impetus for the renewable portfolio standard I have offered is that we would reduce dramatically these greenhouse gas emissions and provide incentives for the development of these other technologies. There are already incentives for the improvement in the development or improved use of nuclear power for energy production, and, as I say, I support those.

Let me also talk a little about this proposal that States can opt out. First, let me mention that the Secretary can add others. I think that is a very major loophole, for us to essentially say to the Secretary of Energy: It is up to you; if you find something else that you believe ought to be included in the way we meet essentially this 16 percent requirement, then add that in. I think the idea that States can opt out is unfortunate, indeed. Obviously, many States have chosen to put in place their own renewable portfolio standards. Nothing in my amendment in any way overrides those States' proposals.

What we try to do with the proposal I put forward is to set a national minimum. We say you should at least do this 15 percent. If you want to do something else, have a go at it. If your laws provide for something else, then so much the better. But we do not say to States: You can opt out of any Federal requirement. I think to do so essentially eliminates any coherence we might have in the system.

Let me conclude my comments at this point by saying that my own reading of the proposal Senator DOMENICI has made here as a second-degree amendment to mine is that it really gets us to the worst of all locations in the debate or in our deliberations on this issue. It is a Federal program that does not result in the generation of electricity from clean energy sources beyond what otherwise would be expected to happen at any rate. But it does require utilities to go through very extensive efforts to track and buy and sell credits and comply with a regulatory regime. The Government would have to establish a credit-trading scheme, a tracking system, a monitoring system, regulations for implementation—a whole panoply of Government machinery—but they would do so in order to achieve a result that could have been achieved without the implementation of the proposed amendments.

So I think it would be an unfortunate provision for us to adopt. I hope my colleagues will agree with that and will vote against the Domenici proposal and, of course, as I said earlier in the debate, a vote in favor of the one I propose.

Let me conclude with that. I know my colleague may wish to speak some more, and I know there are others coming to the floor intending to speak as well, and there may be additional opportunities for me to add to these comments as the afternoon progresses.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I would say to Senator BINGAMAN that I have nothing to say now for myself, but I did want to tell him there are a couple of Senators coming shortly. I know about the time they are coming. I don't want to speak before they come, but if Senator BINGAMAN wants to proceed rapidly, we could do that. It will be 15 or 20 minutes before they arrive.

I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Senator SNOWE from Maine be added as a co-sponsor to the underlying amendment I have sent to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator is recognized.

Mr. CRAIG. Mr. President, I will speak for a few moments. The Senator from Tennessee is here and waiting for some charts to visit about the issue that is before us, RPS versus CPS standards, that drive the marketplace toward cleaner fuels, renewable fuels, and a variety of different packages.

A few moments ago, I mentioned, when the Senator from New Mexico, Mr. BINGAMAN, produced a letter from the American Wind Energy Association, that in part I believe CPS, based on their point of view, had been somewhat mischaracterized by that letter. Now, here is someone who supports wind. The Senator from Idaho strongly supports wind. We see windmills, large windmills, going up across Idaho. The Senator from Tennessee would come out there and say: Oops, there goes the landscape. There goes the vista. The Senator from Idaho is a little concerned about that, too, because some of those beautiful high plateaus of Idaho are now being dotted with windmills.

At the same time, there is no question that wind remains a valuable source, and we are subsidizing it and supporting it. But I don't think we ought to bias the marketplace toward it entirely, and that is why you now see a new standard offered as a second-degree amendment called CPS, clean portfolio standard.

When I say that, let me make the point that is important, that I think is critical. The American Wind Energy Association, when they mischaracterized clean portfolio standard, did so in the following ways: The proposed CPS clearly requires carbon capture and storage. They say it does not. The word "sequestration" means carbon capture and storage, and you don't get a credit for it until you do it. I think that is clear. I think that was a mischaracterization. CPS clearly states that any additional clean technologies beyond already highlighted would require the Secretary of Energy to determine, if they apply through a rulemaking process. In other words, no easy rides and no opt-out.

We have 23 States that have some form of RPS, renewable portfolio standard. They have done it on their own. The Senator from New Mexico makes that point very clearly. There is a desire in our country today to move us toward renewables and a cleaner portfolio standard, but there is no opt-out in CPS. They come to the Secretary, and the Secretary certifies that which they already have, if it fits within the portfolio that is being proposed as a CPS. There is no State opt-out in that provision. CPS allows the States with existing clean portfolio programs to certify.

I think that is a very important and necessary statement to make. I don't

see that as an opt-out, I see that as conforming, giving credits to, and causing those who have already taken the initiative not to be penalized. It is arguable that the RPS that is being proposed in the Bingaman amendment would cause them to have to reshape or conform because they are all a little different or they couldn't gain as much credit under an RPS as they could a CPS. But that we don't know. What we do know is, no State opts out.

We are now talking about a Federal standard against a myriad of State standards in which 23 States have already established some form of renewable portfolio. There is no uniformity in that 23-State standard, so, as I said, it is very difficult to comply with the standard. CPS is flexible enough, that it will not allow States to opt out.

Deduct nukes from the base. By adding nuclear—new nuclear—we will have a much broader portfolio than I think Senator BINGAMAN's RPS. Adding nuclear does not detract from the accomplishments of that bill. It modernizes the bill. It brings us to where America's thoughts are today, not where America's clean thoughts started in the mid-1990s. Let's get modern.

Yes, there are a lot of interest groups that have vested interests in the old standard. There are a lot of interest groups in this town and around the Nation that move very slowly. They move the body politics of their organizations slowly so they have to argue what was then instead of what is now. What is now in the minds of the average American who looks at new technology is: Is it clean? And if it is clean, it is acceptable. If it isn't clean, it isn't.

Idaho is privileged at being right at the top of the States of the Nation in nonemitting sources, clean air, and less carbon. We are very proud of that—Vermont and Idaho. Last year, Idaho, a State that has largely accepted production in all forms, said no to a coal-fired plant. They said no because it wasn't as clean as they wanted it to be. But if it were a plant that could sequester, if it were a plant that were clean, and it was coal, why shouldn't it count today in a new standard?

Why shouldn't the marketplace incentivize cleanliness—nonemitting sources—instead of the old nonemitting sources of the past—wind and biomass? But biomass, under current technologies, emits some CO<sub>2</sub>. It is much cleaner than most, but depending on the technology involved, is not a perfect form, if you will, compared to wind. But it is renewable, so under that definition, while it is not as clean as we would like it to be, and it will be in the future because it is renewable, it fits into the old standard.

I think those are profound arguments that bring us to where we are today. And I would like to say to the American Wind Energy Association: You are not disadvantaged under CPS, but you are not exclusive to the market. You have to share the riches of growth in a clean technology with other forms as

they come along. Yes, you will be subsidized, but you will not have exclusivity.

I think for the West and for the marvelous open spaces and the vistas of the West, that is not all a bad idea. While I promote wind, and wind is now coming to Idaho, I don't think it ought to be exclusive in the market. As I have said before, and the maps have been shown, why disadvantage the Southeast? Why say to the Southeast you have to go buy it because you can't produce it? Let's give them an opportunity to be as clean as everyone else wants to be by giving them the advantages of all that is necessary.

Mr. BINGAMAN. Mr. President, I appreciate the comments of my friend and colleague from Idaho. I would just direct a question to him and see if I am confused or he is confused, or just where the confusion lies. He says there is not authority in the Domenici proposal, the clean energy proposal; that there is not authority for a State to opt out. Here is the sentence on page 9 of that legislation. It says:

On submission by the Governor of a State to the Secretary—

That is the Secretary of Energy—of a notification that the State has in effect, and is enforcing, a State portfolio standard that substantially contributes to the overall goals of the Federal clean portfolio standard under this section, the State may elect not to participate in the program under this section.

Now, that clearly states, as I understand it, that it is entirely up to the State whether it chooses to participate in the program or chooses not to participate in the program, and there is no discretion on the part of the Secretary of Energy about it at all. There is no certification required by the Secretary of Energy. There is no requirement that the State program meet any particular standard other than it contribute to the overall goals of the Federal standard.

To me, that means a State can opt out of the Federal program, unless I am misreading it.

Mr. CRAIG. Mr. President, I can't argue whether the Senator is or is not misreading. The intent is for the Secretary of DOE to certify that the State meets those standards, and if the State meets the standard that you and I would put forth, then why don't they have a chance to stand down for a time? It is a question of meeting the standard, not ignoring the standard.

Mr. BINGAMAN. Well, Mr. President, let me just reiterate that the clear language of the statute states if the State determines that it has a "portfolio standard that substantially contributes to the overall goals of the Federal clean portfolio standard, then the State may elect not to participate in the program."

To me, that is a clear opt-out for the State. There is no requirement that anybody certify or anything else. If I were Governor of New Mexico, I could type up a letter, send it off to the Sec-

retary and say we are opting out—include us out—and that clearly would let me out of the program.

So I don't think the bill says what the Senator has indicated.

Mr. CRAIG. Well, if it doesn't, I am one who would change that. It is clearly not my intent, nor I believe the intent of CPS, to allow States to opt out. It is to broaden the portfolio standard, not to opt out because I think, with 23 States now moving in that direction, there is a recognition of the value of some of this. If there needs to be a correction for your satisfaction as the chairman of the committee, I am certainly one who is willing to make that. But it was my understanding and my reading of the language that the Secretary of DOE has the right to certify, and in certifying could allow based on the standard met an opt-out.

Mr. BINGAMAN. Mr. President, I appreciate the comments from my friend. I would just say he is describing a provision in an amendment that is not before us. I want to point that out to my colleagues.

Mr. CRAIG. Mr. President, we obviously have a disagreement as to what is or is not. But I think we both agree on a principle that we have just talked about.

The PRESIDING OFFICER (Mr. SANDERS). The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I think now would be a good time for a former Governor to enter the discussion with my two distinguished colleagues. I think the biggest compliment I have been paid in the short time I have been a Senator was by some Washington insider who said, "Well, the problem with LAMAR is he hasn't gotten over being Governor yet."

I have said to my constituents in Tennessee, "If I ever do, it is time to bring me home."

As I listened to the discussion between the Senator from New Mexico and the Senator from Idaho, I was greatly encouraged by the discussion of the Senator from Idaho until the very last part. I think there should be an opt-out. Why should there not be? What wisdom is there here in Washington, DC that is not there in state and local government?

When I was in Tennessee, I thought I was at least as smart as the Congress of the United States. I woke up every day trying to do what was best for my State. I fought for better schools, clean water, clean air, raising family incomes, paying teachers more. If I had to wait on Washington to do it, we would never have done it. I knew of a lot of people who flew to Washington and suddenly got smart, but I didn't think they were smarter than we were.

On issues of clean air, we Tennesseans, for example, feel like we care about it a lot. I live right next to the Great Smoky Mountains National Park. I grew up there. Five generations of my family are buried there. We have a great big clean-air problem.

I might say, both Senators from New Mexico are two of the very finest in our body in terms of their ability, intelligence, dedication, and purposes. I happen to have a little disagreement on this issue with Senator BINGAMAN from New Mexico, but let me go back to my point.

Growing up and living at the edge of the Great Smoky Mountains National Park makes me very aware of clean air and the need for it, which is why, 2 or 3 years ago, with Senator CARPER, I began to work in the Congress for stronger standards so we could do more in Tennessee. That is why, as Governor of Tennessee, I pushed ahead for more and why, as a citizen of Tennessee, I went to the Tennessee Valley Authority and encouraged them to adopt standards that would get more of the sulfur out of the air and more of the nitrogen out of the air. That is why I have encouraged the Governor of Tennessee to go further than the Federal Government is in getting mercury out of power plant emissions into the air, 90 percent instead of 70 percent. That is why I have been meeting with mayors and local county officials in Tennessee to clean the air. We care about it in Tennessee.

It is not necessarily true that it takes wisdom from Washington to cause us to want to have clean air or carbon-free air. Witness the fact that we are already on the honor roll of states leading the way in emissions-free electricity generation.

I see the Senator from Vermont, right in front of me, presiding. He should be very proud of Vermont as his state is No. 1 in the country in terms of carbon-free emissions. Vermont generates its electricity from forms that are free of carbon emissions. I assume that among Senator BINGAMAN's goals in the energy legislation before us is to encourage carbon-free emissions so that we can deal with climate change. I happen to be one of those who believe climate change is a problem and that human beings are a big part of the problem. I am ready to help deal with the problem.

But I think that we already are helping in Tennessee—that is my point. In this case, we need Washington to recognize what States are doing to solve this problem and not assume that a one-size-fits-all idea which might be good for New Mexico, or which might be good for North Dakota, also is good for Tennessee.

Tennessee is 16th in terms of carbon-free emissions. In other words, we produce about 40 percent of our electricity today from nuclear power and from hydroelectric power. All forms of power have their issues. Hydroelectric power means you dam up rivers. Some people don't like that. I have some problems with that, too, sometimes. With nuclear power, we have to get rid of the waste, and we have not solved that problem yet. But the one problem we have solved with hydro and nuclear is that they are clean in terms of emis-

sion—no carbon, no mercury, no sulfur, no nitrogen. That is 40 percent of the power in the Tennessee Valley Authority region, and in the State of Tennessee.

I might say: I have a great idea. I am now in Washington. I am not Governor anymore. I want to require everybody in America to have a 40-percent emissions-free energy standard, and the way they should do it is to have 33 percent nuclear power and 7 percent hydropower because that is my idea. That is the way we do it. So, North Dakota, have at it, start building nuclear plants, start damming up whatever river you have left. I have an idea. That is the way you should it.

I wouldn't say that because I believe in federalism. I believe that a lot of the best ideas come up from States toward the Federal Government. I have noticed how, over time, California has led the country in terms of clean air and clean water. I know Senator BINGAMAN's bill would permit us to go further in some ways, but it does not in other ways. What happens with the amendment from the Senator from New Mexico is this: Even though we are on the honor roll in Tennessee, and getting better—I mean, not only did the TVA just reopen the Unit 1 reactor at the Brown's Ferry Nuclear Plant, it is operating today at 100 percent capacity.

I will say a little more in a minute, if my colleagues will tolerate it.

The one wind farm we have in the whole Southeastern United States, the Buffalo Mountain Project in Tennessee, operated 7 percent of the time in August when we are all sitting on our porches, sweating and fanning ourselves and wanting our air-conditioners on, so wind energy doesn't help us in our part of the country. So we are at 40 percent emissions-free electricity generation. So how about a 40-percent portfolio standard for the whole country, with 33 percent nuclear power and 7 percent hydropower?

That probably wouldn't be fair to North Dakota. It might not be fair to some other States that have, as the brown color indicates on this chart here, a good bit of wind. They can use wind. They like wind. They don't mind having great big 300-, 400-, 500-foot white towers with flashing red lights you can see for 20 miles. If they want to see them, I guess that is their business. If they want them and it makes sense out there, fine. That is their State. But no more would I impose our formula for being clean on them than should they impose their formula for being clean on us. That is the problem with the Bingaman amendment, I respectfully suggest.

Here we are on the honor roll for being clean. We are getting better. TVA is thinking we might open a second nuclear reactor, maybe a third nuclear reactor. Maybe within 10 years—which in energy-producing time is a short period of time—we would be up to 40 percent of nuclear power, 7 or 8 per-

cent of hydropower, and we might be in favor of making everybody do a 47-percent renewable portfolio standard based on our formula. We hope by that time that biomass, which is permitted under the amendment from Senator BINGAMAN, as I understand it, will increase in Tennessee. We have a great capacity, we believe, for biomass, especially as fuel for cars.

The President of the University of Tennessee was here this morning—Dr. Peterson—talking with me about a demonstration project they have, about ethanol plants that are planned there. We are right in the center of the nation's population. We have a lot of land. We have a good agricultural base. Switchgrass could replace the tobacco income we used to have in Tennessee. We used to have 60,000 to 80,000 farms with a little independent income up in the mountains like you have in the great northern kingdom of Vermont. That would be great for us, so we hope biomass really works.

We like solar. I am the sponsor of the solar tax credit that passed Congress 2 years ago. It is not enough, but I sponsored it. I got an award from the solar industry for being for that renewable power. I also worked with the Farm Bureau on renewable power called biomass. We have the largest production plant for solar technology in America in Memphis in the Sharp plant, producing the solar panels you put on your roof. We hope all this works. We even hope there might be maybe a solar thermal steam plant someday. It is not there today.

TVA needs 31,000 or 32,000 megawatts of power every year to provide us with clean, reliable, inexpensive electricity, and the potential for solar with the present technology, the TVA says, is less than a Megawatt. The solar industry would say it is more. What if it is five times more? What if it is 10 megawatts, or 20 megawatts? There is not sufficient potential in the next 10 years for solar and wind in the southeast—which I will show in a moment we have virtually none of—to meet this idea.

So, what do we get to do? We get to pay a big tax, a great big tax. What good does the tax do us? It comes out of our pockets. We send it to Washington, and we never see it again. How much is it? It is \$410 million a year, according to the Tennessee Valley Authority's scientists, to meet Senator BINGAMAN's 15 percent renewable portfolio standard. That is real money. By the end of the ramp-up time in the Bingaman amendment, which is the year 2020, it would cost, according to the Tennessee Valley Authority, which supplies Tennessee with electricity, it would cost the ratepayers \$410 million to do what, to pay a tax to Washington, DC. It wouldn't clean our air. We are already on the honor roll for emission-free electricity production. It would just increase our cost. In fact, that money might come from money we might otherwise spend to clean our air.

But here is what we could do with \$410 million. We could give away 205 million \$2 light bulbs and have the energy savings equivalent to two nuclear power reactors, or it would be the equivalent of 3,700 great big wind turbines that would stretch along all the scenic ridge lines in east Tennessee, and nobody would come to east Tennessee to visit, to see our mountains. Most people who live there would go hide under a rug so we wouldn't have to see these white towers with flashing red lights that you can see from 10 or 12 miles away instead of the mountains. We could pay the electric bill for every Tennessean for a month and a half each year with \$410 million or we could purchase a new scrubber. We have some coal-fired powerplants. About 60 percent of our electricity comes from coal. TVA has done a fairly good job of cleaning up the air with that, but they have a long way to go. Sulfur scrubbers are the main thing they need. They are very expensive, and we could put a new one on every 9 months with \$410 million cost per year. That is what we could better do with \$410 million rather than send it up here to Washington, DC.

Here is a letter I got today from the mayor of Chattanooga, TN, Harold DePriest—not the mayor, president and chief executive officer of the power company in Chattanooga. I probably should let Senator CORKER read this letter since he used to be the mayor in Chattanooga. But he says:

The Bingaman amendment, if enacted into law, would have an enormous adverse economic impact on our community. It would result in a two-cent per kilowatt-hour tax on all electric kilowatt hours that are used in the Chattanooga EPB service area. We have projected the cost burden that will be imposed upon those in our service area during the years 2010 through 2020. It appears the local government, local schools, the universities, businesses and all citizens (including those in fixed incomes and having a difficult financial time as it is) will have to pay the additional sum of more than \$133,000,000 . . . over 10 years for their electrical service.

Those are the workers, and those are the businesses. When businesses come to Tennessee—when Nissan comes or Saturn comes, when Eastman thinks about staying—what is one of the things they want to know? Can we get reliable, low-cost electric power? Today, we can say yes.

Every time we add an unnecessary charge on that rate, we drive jobs out of Tennessee and we cause people who cannot afford their bills to pay them.

I believe Senator BINGAMAN would say, and I will let him say it on his own behalf, as we develop more renewable power or other forms of power—I am a big subscriber to this—we bring down the price of natural gas. I helped introduce a bill called the Natural Gas Price Reduction Act, and I worked with Senators BINGAMAN and DOMENICI to try to stimulate growth in other forms of power to bring down the price of natural gas. So he is absolutely right. If we create new forms of energy, we will

have less reliance on natural gas, and we want less reliance on natural gas. We don't want to be using natural gas to make electricity.

As we say often: It is like burning the antiques to make a fire. So he is right about that. Why shouldn't we say but one other form is nuclear power. It is clean, it is reliable, and it is another form to consider. And the more we have it, the less natural gas we have to use.

I also have a letter from Huntsville. This is in Alabama. I would not want you to think I was only arguing on behalf of one State. Huntsville, Alabama. "Dear Senator SHELBY," in this case. The letter goes on to talk about the severe penalties and the extra costs and the objection they have to this new tax.

I ask unanimous consent to have printed in the RECORD at this point the two letters.

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

EPB,  
Chattanooga, TN, June 13, 2007.  
Re Energy Bill—S.B. 1419.

Hon. LAMAR ALEXANDER,  
U.S. Senator,  
Washington, DC.

DEAR SENATOR ALEXANDER: I am writing out of concern for the citizens of the greater Chattanooga area who receive their electrical service from the Chattanooga Electric Power Board ("Chattanooga EPB"). We understand that debate is presently taking place on Energy Bill, S.B. 1419. We also understand that Senator Bingaman will propose an amendment to the Energy Bill that will, in our opinion, have severe financial consequences upon the citizens of the greater Chattanooga area, who are served by Chattanooga EPB in Hamilton County, and parts of Bradley, Marion, Sequatchie, and Bledsoe Counties.

We at Chattanooga EPB are asking that you do everything in your power to oppose the Bingaman Amendment, and to encourage your fellow Senators to also vote "no" with you to defeat it. We do not oppose energy conservation or the use of renewable resources. But the Bingaman Amendment is not the right way to get it done.

The Bingaman Amendment, if enacted into law, would have an enormous adverse financial impact upon our community. It would result in a two-cent per kilowatt-hour tax on all electric kilowatt hours that are used in the Chattanooga EPB service area. We have projected the cost burden that will be imposed upon those in our service area during the years 2010 through 2020. It appears that local government, local schools, the universities, businesses, and all citizens (including those in fixed incomes and have a difficult financial time as it is) will have to pay the additional sum of more than \$133,000,000 (collectively as a group) over 10 years for their electrical service.

The frustrating part of the Bingaman Amendment, if enacted into law, will be the injustice imposed upon our community. There are several states that are blessed with plentiful resources of renewable energy. These states would receive favorable treatment under Senator Bingaman's Amendment, whereas we in Tennessee and the TVA Region would not. We here do not have the same abundant renewable resources available to us. In effect, we are penalized, and penalized significantly, simply because of geography.

One reason that Chattanooga EPB is in such a difficult situation under the Bingaman Amendment, as contrasted with utilities in some other parts of the country, is that the amendment is directed at utilities that have their own generation. Because the Tennessee Valley Authority supplies all requirements needed to for the Chattanooga EPB service area, and has an all-requirements contract with Chattanooga EPB, it is impossible for Chattanooga EPB to meet the requirements of the Senator Bingaman's renewal portfolio standard ("RPS") amendment to S.B. 1419. Senator Bingaman's Amendment requires that utilities such as Chattanooga EPB obtain 15 percent of energy sales from new renewable sources by the year 2020. While Senator Bingaman's Amendment does allow an option for Chattanooga to buy renewal "credits" from U.S. Department of Energy, it is at the two-cent per kilowatt-hour rate in order to meet the RPS that the Bingaman Amendment would dictate.

We would appreciate your exerting all efforts within your power to defeat this horrific renewal energy "tax"; and that you oppose, argue against, vote against, and secure all of the assistance that can be mustered from your fellow Senators to see that this Amendment is not enacted into law.

I am available if there is any additional information that we can supply to you in your efforts to help us.

Sincerely yours,  
HAROLD E. DEPRIEST,  
President and Chief Executive Officer.

HUNTSVILLE ELECTRIC UTILITY BOARD,  
June 12, 2007.

Hon. RICHARD C. SHELBY,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR SHELBY: The Senate is now debating an amendment to the Energy Bill, specifically a Renewable Portfolio Standard (RPS) Amendment. This amendment requires all electric systems that sell more than 4 million megawatt hours of energy a year to generate specific percentages of their load profile from renewable resources. By 2010, Huntsville Utilities would have to have 3.75% of its load coming from renewable generation sources (solar, wind, etc.); by 2013, 7.5% of the load from renewable generation; by 2017, 11.25% and by 2020, 15% of load coming from renewable generation.

Huntsville Utilities is under a long-term, 100% contract with TVA and is prevented by contract from developing its own resources and from purchasing any form of energy supply from any other power supply vendor. Further, Congress would have to pass laws that would allow Huntsville Utilities to use the TVA transmission system to bring in power from other power supply vendors.

Severe penalties are levied for not meeting the Renewable Portfolio Standard. Penalties to Huntsville in 2010 would be \$4.2 million; in 2013, \$8.8 million; in 2017, \$14.1 million, and in 2020, \$19.8 million.

Huntsville Utilities depends on TVA to provide renewable energy resources, since it is prohibited from generating our own energy, or purchasing energy from other power providers by the TVA contract.

Penalties in 2010 of \$4.2 million for not meeting the standard are nothing more than a tax on the citizens of Huntsville. Huntsville Utilities is being placed in a no-win situation if this standard passes.

Huntsville Utilities is a public power system which is non-profit and receives all of its energy resources from TVA, which is a public power generation and transmission provider to its 158 captive customers. Huntsville Utilities needs to be exempted from the provisions of the Renewable Portfolio Standards (RPS). TVA needs to be the provider of

these renewable energy resources to its customers.

TVA's hydro and nuclear generation systems need to be used as a replacement for solar and wind, since hydro and nuclear energy generation are non-polluting.

Thank you for your consideration.

Sincerely,

RONALD W. BOLES,  
*Vice Chairman.*

Mr. ALEXANDER. Mr. President, I see some other Senators on the floor. I see Senator DOMENICI, Senator DEMINT, and there are other Senators here. But I want to wind up my comments in this way with a couple of pictures to summarize the point.

It is a laudable goal to move us as rapidly as we can to renewable energy. But we should allow the States to move in ways that fit those States. So I think there should be an opt-out for States. I think Tennessee should be able to say: We have a 40-percent clean power standard, but it is nuclear and hydro. We are working hard on biomass. As soon as we get that going, we will have 50 percent. But we do not have sufficient wind resources not located in our scenic mountains. In addition, wind is enormously subsidized. We will be getting more to that this year.

Let's put up this chart.

TVA looked all around for a place to locate the first and only utility scale wind energy project in the southeast. First they looked down on Lookout Mountain. The people there spent 30 years restoring the natural beauty to this historic location. They did not want to see a 400-foot tower they could see from the whole area up there. So they finally put it on Buffalo Mountain, which is also a beautiful place.

Here is what it looks like. They had hoped the wind would blow so that it would produce 35 to 38 percent of the turbines rated capacity. It operates 19 to 24 percent of the time; 7 percent in August. What most people miss with wind power is you use it or lose it. So if the wind is not blowing, your air conditioner is off.

Even though you have these large wind towers all up and down every ridge top in Tennessee, even if you had them, you would still need a dependable powerplant. Wind turbines do not replace your base load.

Here is what it looks like in West Virginia, which is north of us. It is a different point, but this makes strip mining look like a decorative art. I mean this ruins, in my view, the tops of mountains.

Why would we insist on that with Federal requirements to have a State that is already on the honor roll for clean power? There are other ways to do this rather than raise our rates, raise our taxes, drive jobs away, or ruin our landscape.

I appreciate the chance to talk about this. Wind already is highly subsidized too. The best facts I have suggest we will be spending \$11.5 billion between 2007 and 2016, already obligated in taxpayers' money, to build these big wind

turbines in Tennessee, which in Tennessee operate 7 percent of the time in August. They do not produce much power either. There are proposals on the Senate floor to extend the federal subsidies for wind power.

So back to this wind project, TVA pays 6.5 cents for every kilowatt-hour produced by this wind project. The taxpayers pay them another 2.9 cents, in effect, for the production tax credit; that is 9.4 cents for each one here, and this would have the whole Southeast running around looking for wind developers to buy further credits from. We should all retire from the Senate and go in the business, it looks like, if that is what we want to do.

But here is my main point, let's respect Federalism, let's honor those States that are on the honor roll. Let's honor Senator BINGAMAN for wanting to encourage renewable energy. But Senator DOMENICI, I would respectfully say, has a better idea. He would allow new nuclear power, for example, to be a part of the mix.

My final comment would be this: As climate change has become more of a concern, and people say we are going to have to deal with it in this generation, we have looked for ways to create large amounts of clean energy. There are only two or three ways to do that.

The first is conservation and efficiency. We have barely scratched the surface. But the second is nuclear power. Seventy percent of our carbon-free electricity in America today is nuclear power. So why would we exclude that from any standard that allegedly wants us to have carbon-free energy? It does not make much sense to me.

I respectfully oppose the suggestion of the Senator from New Mexico, Mr. BINGAMAN. I honor his service here. I honor his motives here. But I think he has a solution looking for a problem. The problem is, we do not have any wind in our part of the State, and a wind portfolio standard simply does not work. It puts a big tax on us we do not need to pay, do not want to pay, does not do us any good.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. VOINOVICH. Mr. President, I yield 50 seconds of my time to Senator DEMINT.

Mr. DEMINT. I thank the Senator. I will yield back to him immediately.

Mr. DOMENICI. Would you yield 30 seconds to me? Would that be acceptable to you?

Mr. VOINOVICH. That is fine.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to Senator LAMAR ALEXANDER, who gave about a 20-minute speech or 25, whatever it was, that I truly commend you on your understanding of both the problem and the attempted solutions here and the differences between the Bingaman amendment and mine. The way you present it is laudable. I thank you for that.

I yield the floor.

Mr. DEMINT. Mr. President, quickly, I wish to make a request of the chairman. I understand the current amendment will not be finished until tomorrow. I wanted to get one amendment pending. I ask unanimous consent to send an amendment to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. BINGAMAN. Mr. President, I do object. I believe we need to complete action on the two pending amendments before we take up any other amendments or have other amendments pending. Obviously he can send anything he wants to the desk, but as far as calling up any amendment for consideration, I would object.

The PRESIDING OFFICER. Objection is heard.

Mr. VOINOVICH. Mr. President, I understand Senator SALAZAR is waiting here. I will not be long. I appreciate his patience.

First, I associate myself with the words of the Senator from Tennessee, Mr. ALEXANDER. I thought he did a fantastic job of outlining why this proposed renewable portfolio standard is not in the best interests of the United States of America. I strongly oppose it because it has not taken into consideration the adverse effects on States that depend heavily on coal, such as my home State of Ohio.

I also mention that we have looked at wind power for our utilities. If they could use wind power they would be using it, because not only would it be something that would be better taken by the citizens of Ohio, but it also would associate them with being more green. They are interested in doing that. But the fact is we do not have the environment for that to occur. So I think even though this proposal is well intentioned, and I share his concern about reducing greenhouse gases, I believe his proposal will cause great economic distress for minimal benefit.

What we need to do when we are looking at these things is ask, what benefit are we going to get out of it, and what are the costs? Figure it out. A one-size-fits-all Federal RPS mandate ignores the different economic needs and resources of the individual States. There are significant regional differences in availability, despite renewable energy resources.

Even among the States that have an RPS, all have chosen to add technologies that are not usually included in a Federal RPS. Because many of the utilities will not be able to meet an RPS requirement through their own generation, they will be required to purchase renewable energy credits from some other company. Thus, a nationwide RPS mandate will mean a massive wealth transfer from electric consumers to States with little or no renewable resources, such as Ohio, to the Federal Government or to States where renewables happen to be more abundant.

In my State of Ohio, we rely on coal. Eighty-eight percent of our electric

generation comes from coal. It is estimated that the proposal would increase retail electricity prices by 4.3 percent, a total of a \$12.8 billion cost to consumers by 2030. The 4.3 percent may not seem like a high increase to many, but to a family of four on a fixed income, this is a huge increase. These families may have to make a decision between paying their winter heating bills or putting food on the table for their families.

I recall a couple of years ago, before the Environment and Public Works Committee, Tom Mullen of Cleveland Catholic Charities described the direct impacts of significant increases in energy prices on those who were less fortunate. This is a quote. He said:

In Cleveland, over one-fourth of all children live in poverty and are in a family of a single family head of household. These children will suffer further loss of basic needs as their moms are forced to make choices of whether to pay the rent or live in a shelter; pay the heating bill or see their child freeze; buy food or risk the availability of a hunger center. These are not choices that any senior citizen, child, or for that matter, person in America should make.

So, in effect, if we pass this renewable portfolio, for people who live in my State—and maybe I am being a little bit selfish about the people I represent, but the fact is this is going to increase their energy bills. For those who are poor, for those who are elderly and on a fixed income, this is significant.

Another aspect which I think we forget about is Ohio is a manufacturing State. We are on the economic fault line. I wish our economy were as good as the rest of the States in this country. We have the same problem Michigan has. Energy costs are a huge concern of our manufacturers, who use 34 percent of the energy consumed in our economy. Due in large part to increased energy prices, the United States has lost more than 3.1 million manufacturing jobs since 2000, and my State has lost nearly 220,000 jobs.

I will never forget in 2001 when we had the big spike in gas prices. I believe that was the beginning of the recession in the State of Ohio. Many of those small companies never recovered because, for example, in my city, natural gas costs have gone up over 300 percent since 2000. Think about that, the impact that has. Then you add another burden on top of that. Rather than enacting an artificial RPS, which will increase costs to our utilities and consumers, we need to be spending this money on the development of technology to reduce our greenhouse gases.

The cost of the RPS to utilities and ratepayers will be better spent on funding the programs we authorized in the Energy Policy Act of 2005, such as carbon sequestration and IGCC technology, which, as most of us know, are not receiving the appropriate funding today.

It is clear we must get serious about partnerships and strategies that maximize Federal funding. We have got to

look at how much money we are going to raise and where can we get the biggest return on our dollars. I do not think RPS does that.

It is critical that policymakers work in conjunction with the scientific community to develop policy solutions that are in the best interests of our State and Nation. For instance, one area requires further research to capture greenhouse gases and sequester carbon dioxide so we can continue to rely on coal for energy. We are the Saudi Arabia of coal. We have 250 years of that supply. For the past few years I have called for a “Second Declaration of Independence,” independence from foreign sources of energy, for our Nation to take real action toward stemming our exorbitantly high oil and natural gas prices. Instead of considering them separately, we must harmonize our energy, environment, and economic needs. This is an absolute must as we consider any additional solutions to address global warming and other environmental problems.

I have been here, this is my ninth year. I have been on the Environment and Public Works Committee for 9 years. The problem in the Senate and in the House is that the environmental, the energy, and the economic people don’t get together and put each other’s shoes on and figure out how we can work together to not only do a better job of cleaning up the environment but utilizing the scarce dollars that are available to make a difference.

This is an idea of the costs for Ohio. For example, American Electric Power which, while I was Governor, put on a \$650 million scrubber to reduce their NO<sub>x</sub> and SO<sub>x</sub>, it is going to cost them \$3 billion between 2010 and 2030; First Energy, \$3.18 billion to \$4.6 billion; Duke—this is also another provider of energy—\$1.6 billion.

Let’s take the Timken Company, the heart and soul of Camden, OH. Their incremental cost of electricity under a 15-percent RPS will exceed \$20 million per year. They say:

We would not expect to recoup most of this increased cost through price increases due to the global competition that we face. Adoption of a mandatory RPS would clearly place The Timken Company at a competitive disadvantage vis-a-vis our foreign competitors, further eroding already slim profit margins, and placing increasingly more jobs at risk.

We really ought to think about what we are doing here today. I don’t think what we want to do is advantage one area of the country by having a cost increase in another part of the country and see a massive shifting of resources. What we should do is look at the big picture and figure out, as Senator ALEXANDER pointed out, where do we put our money where we can get the greatest return on our investment. I sincerely believe this isn’t the way to do it. Why would we want to do something that will take a State such as Ohio, that is 80 percent reliant on coal, and basically tell our utilities: Folks, you are going to have to buy renewable en-

ergy from somebody else, pay the money out, and then increase your rates, increase the rates to the folks in our inner cities, when they could be taking that same money and putting more of it into, for example, ISGC, the integrated gas-combined cycle. AEP is going to build a 1,000-megawatt plant that is going to cost an enormous amount of money. That is where they should be putting their money. They should be putting their money into technology so that we can capture carbon and sequester it.

Those are the things that would really make a difference. We are fooling ourselves to say we are going to pass this legislation, and it is going to make a big difference. I argue that it is going to make little difference, and we could spend our money on things that are going to make more of a difference in terms of cleaning up the environment and dealing with some of the problems we all know this country faces.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. SALAZAR. Mr. President, let me start by thanking Senator BINGAMAN, chairman of the committee, and Senator DOMENICI, ranking member, for their fine work in producing the Energy bill before us today. This energy legislation is important for our country as we move toward energy independence. It is strong on alternative fuels. It is strong on energy efficiency. Through the work of the Commerce Committee, it has strong CAFE standards that will make all the difference in the world in terms of how we use transportation fuels. It also begins to do some important work with respect to carbon sequestration. This is good legislation. The amendments and debates we are having hopefully will build on that good legislation to get us to the point where we can deliver to the President a good bill.

The President said in his State of the Union that one of the things he wanted us to work on was moving forward to get rid of our addiction to foreign oil. It is our hope that by working together in a bipartisan fashion, as we did in the Energy Committee, we will be able to move forward with respect to reaching that vision of energy independence for the United States.

Let me say that I am here to speak in support of the Bingaman proposal which I am cosponsoring on a renewable electricity standard for the Nation. Let me at the outset say, we in the Congress, we in the Nation should not be afraid. We should not be afraid of having a robust renewable electrical standard, called an RES, a renewable portfolio standard. There will be significant benefits that will help our economies. It will help rural communities, it will help our environment, if we have a robust national standard for renewable electricity.

Some may say: How do you know that? I have heard my colleagues on the other side of this amendment arguing that we don’t need a national

standard because it will harm particular States or areas. There were lots of people in my State in Colorado in 2004, just a short 2 years ago, who made the same argument, that if we passed an RPS in my State of Colorado in 2004, we would see a parade of horribles coming down the pike.

Well, in 2004, the voters of Colorado decided on their own they were going to take this measure to the voters of the State, and they passed a renewable portfolio standard of 10 percent by the year 2015. Because Colorado's efforts have been so successful in the last 2 years, the general assembly this year decided to double that standard to 20 percent by the year 2015. What had been the parade of horribles has not been a parade of horribles in Colorado with respect to the RPS. It has been a parade of celebration with respect to what we have been able to accomplish on the ground.

Let me refer to two very significant economic facts and initiatives within our State. One relates to wind. Two years ago, we had a very small wind farm. It produced just a few megawatts of power. That was 2 years ago. Fast-forward to today. Because of the RPS, in Colorado, today we now have four major wind farms in operation. We have two more wind farms currently under construction. By the time we finish a year from now, those wind farms will be producing 1,000 megawatts of electricity.

Let's put that in a context so people can understand what we are talking about with respect to 1,000 megawatts. One thousand megawatts is about the equivalent of what we would produce with three coal-fired powerplants. We were able to do that with the power of the wind in less than 2 years.

What has been the benefit for Colorado? First and foremost, we are contributing to the economy of our State because there were counties, such as Weld, Logan and Prowers Counties that I refer to as forgotten America because they have such limited opportunities out in those rural communities that struggle on the vine every day. What has happened is the RPS has injected a new economic vigor into those rural communities. It is something about which the bankers, Democrats and Republicans alike, are all very happy and excited. It is something about which the school boards are very excited as well because it has brought significant additional tax revenue into the coffers of some of the rural school districts that suffer from not having enough money for schools or for other public needs.

It also has made sure the people of Colorado understand that they are contributing to the environmental security of our Nation. We are past the debate in this Nation as to whether global warming is a reality. The people in my State recognize they are making a significant contribution to dealing with the issue of global warming because they passed an RPS which has

been a good RPS. In fact, it has been so good in terms of acceptance by the people of Colorado, almost without a whimper the requirement was doubled this year so that now we in Colorado will be producing 20 percent of our electricity from renewable energy resources by the year 2015. That is not a long way away. We are not talking 2050 or 2040. We are already at 2007. So within 8 years in Colorado, we are going to be producing 20 percent of our energy from renewable energy resources.

It is not just wind. I come from what is one of the most remote and rural, poorest areas in the United States. The place is called the San Luis Valley. It is a place where you have to struggle to make a living. But it is a place also that is embracing the new ethic of renewable energy, driven in large part by the renewable portfolio standard we have in Colorado. Because of that RPS, the largest utility in our State, Xcel, has broken ground on the largest solar utility generator in the United States. That solar electrical utility farm, which is now under construction in my native valley, is creating jobs for the people of the valley. It is something we are very proud of.

With the advances being made in solar technology, there is no reason in most of our States we would not be able to create a robust addition for our electrical needs that actually is powered from the Sun.

Our experience in Colorado with respect to a renewable portfolio standard, a renewable electrical standard, has been an absolutely positive one. It was one that was approached with some trepidation a few years ago. Today it is wholly embraced. I ask my colleagues in this Chamber today to look at the RPS as something that, in fact, is a great opportunity for the people of this country. If it worked for the State of Colorado, it can also work for the rest of the Nation.

Let me also say that Colorado is not alone. If you look at a map of the United States and look at all of the States that have passed a renewable portfolio standard, they are from all parts of the country. We now have at least 22 States that have adopted their own renewable portfolio standard. So if we have 22 States plus the District of Columbia that have already adopted a renewable portfolio standard, does it not make sense, instead of having a patchwork of regulation from one State to another, where you essentially have no RPS in one and a different RPS in another, that we have a national standard? From my point of view, it does.

The mechanism that has been set forth by Senator BINGAMAN in this legislation will allow us to have that renewable portfolio standard and also will allow us to take into account the different renewable resources for electrical production that we have from State to State. I am very hopeful that the RES before us will ultimately make it into law.

Let me talk a little bit about the primary benefits I see from this RES. The first is that it will bolster our renewable energy production by creating certainty in renewable energy markets. With an RES, producers, developers, and manufacturers know that there is a guaranteed market for renewable electricity. They make long-term investments in infrastructure and renewable energy development when they know that certainty is there, and that is what this national RES will provide. That added stability will result in a second major benefit. That is an economic benefit both to consumers and to communities that assist in production.

As I said, in my State consumers who have been participating in a program that Xcel has provided on a voluntary wind energy program have saved a total of \$14 million in 2004 and in 2005. A 2005 study of the Energy Information Administration found that a modest national renewable energy standard of only 10 percent—only talking in 2005 about 10 percent by 2020—would result in savings to consumers of \$22.6 billion.

We are going to do better than that here because our RES we are proposing is 15 percent. Meanwhile, communities particularly rural communities, thrive with new jobs, with new infrastructure, and a new economy that is built on invention and investment.

The Union of Concerned Scientists estimates that a national renewable energy standard of 20 percent by 2020—we are not proposing that we be that ambitious in this particular amendment—that a 20-percent by 2020 standard would spur \$72.6 billion in new capital investment, with \$16 billion in income to America's farmers and ranchers, and \$5 billion in new local tax revenues for rural communities. That is a terrific shot in the arm for parts of our country that are dying for these kinds of opportunities.

Thirdly, a national renewable electricity standard will enhance our environmental security and take an important step toward reducing our carbon emissions. If we were to pass a renewable electricity standard of 20 percent by 2020, we would reduce emissions of carbon dioxide by more than 400 million tons a year—that is more than 400 million tons a year. That would be equal to taking 71 million cars off of America's roads or the planting of 104 million trees in our country.

We know an RES by itself will not solve the global warming problem, but it is, in fact, a significant step in the right direction.

I want to, once again, thank Chairman BINGAMAN for his leadership on this amendment. It is an important addition to this bill and a leap ahead for our Nation's energy security.

It is, at the end of the day, an effort for all of us to embrace a clean energy economy for the 21st century. A clean energy economy for the 21st century is one of the imperative issues that we can grasp on, we can discover on, on a

bipartisan basis, for America, and we can do it now in 2007. It is not something for which we have to wait until 2010 or 2011. It is something we can do now.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent to proceed just for a few minutes as in morning business.

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

Mr. LEAHY. Mr. President, I thank the distinguished Senator from Minnesota for her courtesy in allowing me to go forward.

#### WHITE HOUSE SUBPOENAS

Mr. President, the reason I speak on this sort of stage—instead of doing a press conference and calling every one of you about it—today I have issued, on behalf of the Senate Judiciary Committee, subpoenas to the White House in connection with our investigation into the firing of U.S. attorneys around the country. I have spoken recently with Mr. Fielding, the White House Counsel, and I have consulted with the ranking Republican on the committee. Regrettably, to date, the White House has not produced a single document nor allowed White House staff to testify, despite our repeated requests for voluntary cooperation over the last several months.

The White House's stonewalling of the congressional investigative committees continues its pattern of confrontation over cooperation. Those who bear the brunt of this approach are the American people, those dedicated professionals at the Department of Justice who have tried to remain committed to effective law enforcement in spite of the untoward political influences from this administration, and, thirdly, the public's confidence in our justice system. That is why I believe we have to do everything we can to overcome the administration's stonewalling and get all the facts out on the table—get the facts out so Republican Senators and Democratic Senators and the American people can see what the facts are.

Actually, the White House cannot have it both ways. They cannot stonewall congressional investigations by refusing to provide documents and witnesses—or saying they might let witnesses testify behind closed doors, with no transcript, no oath, which neither Republicans nor Democrats would ever accept—but then simultaneously claim that nothing improper ever happened. The involvement of the White House's political operation in these matters, including former Political Director Sara Taylor and her boss Karl Rove has been confirmed by information gathered by congressional committees.

Some may hope to thwart our constitutional oversight efforts by locking the doors and closing the curtains and hiding things in their desks, but we will keep asking until we get to the truth.

The House Judiciary Committee, led by Chairman CONYERS, is likewise

issuing and serving subpoenas today. He makes the point that these subpoenas are not merely requests for information; they are lawful demands on behalf of the American people through their elected representatives in Congress.

So we will issue and serve three subpoenas today—two seeking the documents and testimony of Sara M. Taylor, the former Deputy Assistant to the President and Director of Political Affairs, and another seeking White House documents relevant to the panel's ongoing investigation.

Incidentally, Senator SPECTER and I had written to Ms. Taylor asking for voluntary cooperation. We did this more than 2 months ago, on April 11, so there would not be any need for a subpoena. We asked for voluntary cooperation. Well, that did not go very far.

As I noted in my cover letter to the new White House Counsel, Mr. Fielding, I have sent him a half dozen previous letters during the past 3 months seeking voluntary cooperation from the White House with the Senate Judiciary Committee's investigation into the mass firings and replacements of U.S. attorneys and politicization at the Department of Justice.

It is now clear from the evidence gathered by the investigating committees that White House officials played a significant role in originating, developing, coordinating, and implementing the plan and the Justice Department's response to congressional inquiries about it. Yet to date the White House has not produced a single document or allowed even one White House official involved in these matters to be interviewed.

It has been 2½ months since Republican and Democratic members of the Senate Judiciary Committee rejected their take-it-or-leave-it offer of off-the-record, backroom interviews with no followup. We said it was unacceptable.

We have offered to try to work these things out. They have stayed the course: Take it or leave it. Take it or leave it: a backroom, closed-door meeting, with no transcript and no oath. Mr. President, I will leave that one quickly. As I told the White House Counsel, I would be subject to legislative malpractice if I were to ever accept on the part of the Senate such an offer.

Ironically, Mr. Rove and the President have had no reluctance to comment publicly that there was, in their view, no wrongdoing and nothing improper. But they won't even tell us what they base that on. They cannot have it both ways. Their continuous stonewalling leads to the obvious conclusion they have something to hide. Because they continue their refusal, I issued these subpoenas.

So we formally demanded—this is what it is—production of documents in the possession, custody, or control of the White House related to the committee's investigation into the preservation of prosecutorial independence

and the Department of Justice's politicization of the hiring and firing of U.S. attorneys.

The documents compelled by the subpoena include documents related to the administration's evaluation of and decision to dismiss former U.S. attorneys David Iglesias, H.E. "Bud" Cummins, John McKay, Carol Lam, Daniel Bogden, Paul Charlton, Kevin Ryan, Margaret Chiara, Todd Graves, or any other U.S. attorney dismissed or considered for dismissal since President Bush's reelection, the implementation of the dismissal and replacement of the dismissed U.S. attorneys, and the selection, discussion, and evaluation of possible replacements. They have yet to be explained.

Among these documents are documents related to the involvement of Karl Rove, Harriet E. Miers, William Kelley, J. Scott Jennings, Sara M. Taylor, or any other current or former White House employees or officials involved in the firings and replacements, as well as documents related to the testimony of Justice Department officials to Congress regarding this matter—part of the reason being: What did they tell the Justice Department to say or, even more importantly, not to say. Of course these would include the purportedly "lost" Karl Rove e-mails that should have been retrieved by now and should now be produced without further delay.

The distinguished Presiding Officer may remember when I said—at the time when they said those were all lost and erased—Well, you could not erase them. Of course they could be found. The White House dismissively said to we computer experts up here: Of course they had been lost. Gee whiz. Golly. Guess what. They seem to have been in a backup hard drive—like the e-mails for all of us are, like everybody knew they were, and notwithstanding the condescending, misleading statements of the White House Press Secretary's Office. Of course the e-mails were there.

I am just disappointed that now that it turns out they were not lost like they claimed they were we still do not have them. We have to go to subpoenas to obtain information needed by the committee to fulfill our oversight responsibilities regarding the firings and the erosion of independence at the Justice Department—probably the greatest crime here. But the evidence so far—that White House officials were deeply involved—leaves me no choice, in light of the administration's lack of voluntary cooperation.

Mr. President, I thank, again, the distinguished Senator from Minnesota for yielding. I know she was to go first. I yield the floor to the distinguished senior Senator from Pennsylvania, the man who probably understands the necessity of subpoenas better than anybody else in this body.

The PRESIDING OFFICER (Mr. WHITEHOUSE). The Senator from Pennsylvania.

MR. SPECTER. Mr. President, first, I thank the Senator from Minnesota for yielding. I know she yielded to Senator LEAHY; and Senator LEAHY, the chairman of the Judiciary Committee, has made some comments which I think I ought to supplement.

I believe when you have the subpoena issued for Ms. Sara Taylor, the White House staff, it is appropriate at this time. A letter was sent to Ms. Taylor on April 11 requesting testimony and documents, and there has been no response.

It is my hope, as I have said at Judiciary Committee meetings, executive sessions, that we will yet be able to work this out with Ms. Taylor on a cooperative basis without any further controversy.

The enforcement mechanism of the subpoenas is very lengthy. The last time it was undertaken, with the conflict between congressional oversight and the White House, it took more than 2 years. That would take us into 2009, after the election of a new President.

I think with respect to the subpoena to former White House Counsel Harriet Miers, there again the request went out some time ago, and they have not been forthcoming, and I think it is appropriate to proceed—again, in a manner which looks toward conciliation, looks toward resolving it without controversy.

I talked again today to White House Counsel Fred Fielding on the question as to how we are going to obtain testimony from executive branch officials who are high up in the White House, and the President made a televised statement some time ago setting forth the acceptable parameters from the President's point of view. After reflecting on it and talking to members of the Judiciary Committee—both Democrats and Republicans—I think that most of what the President wants can be accommodated.

He does not want his officials, his employees, put under oath. My preference would be to have an oath, but I would not insist on that because the testimony would be subject to prosecution under the False Statements Act, 18 United States Code 1001.

He does not want to have the sessions public. My preference again would be to have them public, but I would not insist upon that.

He does not want to have the officials come before the Senate Judiciary Committee, then before the House Judiciary Committee, and I think we can accommodate that, having members of both committees—both Democrats and Republicans—in a manageable group to obtain the necessary information.

The one point where I think it is indispensable is that we obtain a transcript. If you don't have a transcript, people walk out of the room in perfectly good faith and have different versions as to what happened. I think it is in the interest of all sides to have a transcript. It is in the interest of

congressional oversight so we have it precise, so we can pursue questions and have them in black and white and know where we stand. It is important for the people whose depositions are being taken that it be written down, too, so nobody can say they said something they didn't say because we know what they said when it is transcribed. I am pleased to say to the distinguished Presiding Officer, the Senator from Rhode Island who is nodding in the affirmative, as a former U.S. attorney, attorney general, and one who has had experience with transcripts, as has the chairman and I, it needs to be written down.

I hope we can accommodate the competing interests here. There is no doubt there are very important issues involved: The request for resignations from the U.S. attorneys and the reasons why they were replaced. There is no doubt the President has the authority to remove all 93 U.S. attorneys without giving any reason. President Clinton did that at the beginning of his term in 1993. I think it is equally clear the President can't replace people for bad reasons. There is a suggestion of pressure on the U.S. attorney from San Diego that she was going after some of former Congressman Cunningham's associates, who is serving an 8-year sentence, and that pressure was put on some other U.S. attorney in some other direction for an improper purpose, and that is an appropriate question for congressional oversight. We had a lengthy and heated debate earlier this week on the resolution to say the Senate has no confidence in the Attorney General. That was defeated on procedural grounds.

But the issue of the operation of the Department of Justice is not yet finished. This inquiry is very important. Next to the Department of Defense, which defends the homeland and is our military defense, next in line is the Department of Justice, which deals with terrorism, deals with drugs, deals with violent crime and that department has to function in the interests of the American people. And getting to the bottom of this investigation is important for that purpose. So I wanted to appear to make these brief comments, following the statement by the distinguished Chairman. I thank the Senator from Minnesota.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Minnesota is recognized.

MS. KLOBUCHAR. Mr. President, last Wednesday I came to the floor and introduced legislation that would place the country on a path toward a better energy future by requiring that 25 percent of our Nation's energy, our Nation's electricity, come from renewable sources. This made sense to me because this is what we do in Minnesota. As my colleagues know, all good things come from Minnesota.

But today, Senator BINGAMAN has introduced an amendment requiring that 15 percent of our Nation's electricity

come from renewable sources. I also support Senator BINGAMAN, and I am a cosponsor of Senator BINGAMAN's 15 percent standard by 2020. That is because I believe our country is headed down the wrong energy path, and we need to take it in a new direction.

I can't tell my colleagues the number of times I hear from businesses in my State, including manufacturing companies, about the high costs and how they want to get some new possibilities and a new direction with where their energy comes from. The money issue is one thing you hear about from individual consumers, that you hear about from businesses, but there is also the effect it is having on the environment. Both the Presiding Officer and I serve on the Environment Committee. We have heard countless accounts from scientists from all over this country, from major CEOs of large businesses in this country, about the change we are seeing in our climate and about the chance we have to do something about it.

So I have to tell my colleagues, in my State I also hear from regular people. I hear from hunters who see a change in the wetlands. I hear from people on Leech Lake who say it takes a month later, a month longer than usual to put their fish house out. I hear from kids wearing little penguin buttons. I hear from city council members in Lanesborough who are changing out their light bulbs. I hear from venture capitalists in Minneapolis who want to get some standards in place so they can invest in this new green technology. I hear from people up in Grand Marais, MN, where I visited 2 weeks ago. This area has had tragic fires. When we saw those fires going on in California, they were also raging in northern Minnesota and up into Canada. Nearly 200 buildings were downed by this fire in our State—some of them beautiful homes—homes that have been in families for years and years and years, rustic cabins and businesses. Of course, the people who gathered to meet with me had immediate problems. There was no phone service to many of these places. Many of the lodges that rely on tourism were having trouble even taking orders. But in the middle of all this, with these scarred forests surrounding us, there were people who wanted to talk about climate change, including ski resort owners who had seen a dramatic drop in their profits when we have had less snow and people who were very concerned about their businesses and the future of this country.

So this standard is not only important for investing in our country for more jobs and putting a renewable standard in place that will spur investment, it is also important for our country's future and our environment.

A strong renewable energy standard is good policy. Let's look at where our electricity comes from. Currently, we have 52 percent coming from coal. We have 15 percent coming from natural gas. We have 3 percent from petroleum,

20 percent from nuclear, 7 percent from hydro, and only 3 percent from renewables. Compare this with countries such as Denmark, where they are seeing something akin to 50 percent coming from renewables, and Great Britain and other countries. What a strong renewable standard can do is it can diversify our electricity sources so we are not so reliant on energy sources such as natural gas that are vulnerable to periodic shortages or other supply interruptions. A strong renewable energy standard can also save the American consumer money. According to studies, a 15-percent renewable electricity standard will save consumers a total of \$16.4 billion on their energy bills by the year 2030.

Let's look at some of the savings. What are we going to get if we put in a national renewable electricity standard of the kind I have talked about, which is up to 25 percent, and the kind that Senator BINGAMAN and I have sponsored here today at 15 percent by 2020? We will get 355,000 new jobs, nearly twice as many as generating electricity from fossil fuels; economic development, \$72.6 billion in new capital investment; \$16.2 billion in income to farmers, ranchers, and rural landowners; \$5 billion in new local tax revenues; consumer savings of \$49 billion in lower electricity and natural gas bills; a healthier environment with reductions in global warming, as I discussed, equal to taking nearly 71 million cars off the road; less air pollution, less damage to land, and better use of our water.

I have seen it firsthand in my State, in southwestern Minnesota, where there are wind turbines coming up everywhere. They have even opened a bed and breakfast near Pipestone, MN, because they are so excited about these wind turbines. If you were looking for a romantic weekend and time away from your State of Rhode Island, you could actually go down there and stay overnight and wake up in the morning and look at a wind turbine. That is the package.

But the point is this: The people in that area are so excited about the development and the potential manufacturing that is going on, that they want people to come and see it. We also have individual homeowners and school districts that are trying to figure out how they can put a wind turbine up so they can bring that kind of homegrown renewable energy into their places of business and into their homes.

A strong renewable energy standard is going to save us money, and it is going to cause this kind of investment. It is going to open the door to a new electricity industry that will bring thousands of jobs and billions of dollars into our economy.

Over the last 20 years, America's renewable energy industry, and the wind industry in particular, has achieved significant technological advancements. The industries for solar and wind and biomass are expanding at

rates exceeding 30 percent annually. Now, some of this is because the States—and I will talk about this in a minute—have shown foresight and have been ahead of the game, but we need to do more. The question is: Does the United States want to be a leader in creating new green technologies in the new green industries of the future, or are we going to sit back and watch the opportunities pass us by?

Tom Friedman, who actually comes from Minnesota, wrote a cover story for the New York Times Magazine about a month ago about the power of green. He talked about a new green deal—not like the old New Deal; not necessarily the kind of money we are talking about there, but that the Government's role should be to set those standards and industry will meet them. The Government's role should be to seed new research and to promote green technology and direct us that way; otherwise, if we don't do that, if we don't have the kind of 15 percent standard we are talking about on a national level, I can tell you what is going to happen because we are already seeing it happen. We no longer are the world leader in two important clean energy fields. We rank third in wind power production behind Denmark and Spain. We are third in photovoltaic power installed behind Germany and Japan. Ironically, these countries have surpassed us using our own technology. They used the technology we developed in our country. We came up with the right ideas, but we didn't capitalize on the innovations with adequate policies to spur deployment. The Federal Government, in fact, has been complacent. They have been watching the opportunities go by.

Now, this is not so of the States. I know Senator SALAZAR borrowed my chart about an hour ago, but I like this chart because it shows the progress that is going on across the country. You can see it is not limited to one area. It is not limited. We have heard about what California has done and how aggressive they are. I am always telling the Senators from California it is great what you have done, but it is important to talk about what is going on in the rest of the country.

You look at what is happening in my own State of Minnesota: 27.4 percent mandated renewable standards by 2025. We have what is happening in New Hampshire: A 23.8 standard by 2025. We have Maine, which actually has a standard and goal, as opposed to a standard, of 30 percent by 2000; Virginia, 12 percent by 2022; We have New Jersey, which has been a leader in this area, at 22.5 percent by 2020. If you go all the way out to Montana, you see a 15-percent standard by 2015; if you go up to Washington, 15 percent by 2020. If these courageous States are willing to do this with no direction from the Federal Government, I think it is time for us to act.

It was Louis Brandeis, the judge, who once in one of his opinions wrote about

how the States are the laboratories of democracy. That is what you see going on here. The States are the laboratories of democracy, and you talk about how one courageous State can make a decision to set policy and can be used as a laboratory for the rest of the country. I don't think he ever meant, when he wrote that opinion, that that should mean inaction by the Federal Government. In fact, it should be the opposite. The States experiment, the States show, such as our State has, you can put high standards in place, you can start developing these industries, and it is a good thing.

It revitalizes our rural economy. It is cleaner for our environment. It allows us to invest in new jobs. Now it is time—we have seen the story across the country—for the Federal Government to act.

What I want to see when we vote on Senator BINGAMAN's amendment is a bipartisan effort, bipartisan support for this kind of amendment.

Let me tell you what happened in our State. In February, the Minnesota Legislature—it is a Democratic State senate, Republican statehouse—passed nearly unanimously this 2025 standard. In fact, for Xcel Energy, our biggest energy company, it is 30 percent. They passed that nearly unanimously, a Democratic house, a Democratic senate, with a number of Republicans, a majority voting for it, and then they sent it to a Republican Governor, and that Republican Governor signed it into law. It is considered the Nation's most aggressive standard for promoting renewable energy in electricity production. I think Minnesota's aggressive standard is a good example, but I also think the bipartisan way in which it was set should be a model for Federal action.

The courage we are seeing in States such as my own should be matched by the courage in Washington. We should be prepared to act on a national level, especially when the States and local communities are showing us the way.

There is now an opportunity for the Federal Government to act, and this Energy bill has many good things in it. I love the standards for appliances, the standards for buildings. I like to call it "building a fridge to the 21st century." But I also would like to see some even bolder action. That bolder action comes in many forms, but one that is most important to me is putting this renewable standard into law.

We have everything we need. We just need to act. We have the scientific know-how in this country. In my State, we are so proud of the work that is going on at the University of Minnesota and the State colleges across the State. It is going on everywhere.

We have the fields to grow the energy that will keep our Nation moving, and we have the wind to propel our economy forward. The wind is at our back, and it is time for us to move. It is time to act. The only thing that is holding us back is complacency.

In my office in the lobby, I have a picture. It is a picture of someone holding a world in their hands. The words on it read: The angel shrugged, and she placed the world in the palm of our hand. She said if we fail this time, it is a failure of imagination.

We in the Senate in the next 2 weeks have the opportunity to show this country and the world that we have the imagination for a better world and we have the imagination that we can start having our energy and our electricity produced by the wind and the sun, that we have the imagination that we can have a better environment.

This is the time to act, and I urge my colleagues to support the 15-percent standard for renewable energy.

Mr. President, I yield the floor.

**THE PRESIDING OFFICER.** The Senator from Alaska.

Ms. MURKOWSKI. Mr. President, I appreciate the opportunity to hear the comments of my friend and colleague from Minnesota. She speaks of wind in her State. It is fair to say that in certain parts of my fair State of Alaska, we, too, have incredible winds that sometimes we feel could power the entire Nation with the amount of wind energy we have. In fact, sometimes the winds are too strong and we cannot keep wind generation units up because the force of the winds is that intense. But I do recognize that all States are not created equal in terms of their ability to produce forms of renewable energy, such as wind.

I am a very strong supporter of renewable energy, really all forms of renewable energy. Whether it is geothermal, ocean energy, wind, solar, biofuels, all aspects of renewable are so important. I want to explain this afternoon why I am supporting the clean portfolio standard over the renewable portfolio standard and actually think that the clean standard is the best for the environment and for the public.

Both of these proposals will encourage States to promote the most forms possible of renewable energies, whether they be solar, wind, geothermal, ocean, biomass. All are covered equally under both of the proposals.

For my purposes and where I am really honing in is in the area of hydro-power, and this is one key area where the different proposals part company.

Under the renewable portfolio standard, new hydropower does not count toward meeting the production mandate, only incremental power. The addition of turbines to existing facilities can count.

Under the clean portfolio standard, new hydropower, not the power from dams that span the rivers, but all other forms of new hydropower, such as power from small hydro projects and from lake taps, can count toward that renewable requirement. That is a very important difference.

In my State of Alaska, we tap the mountain lakes, those that have few fish. There is a hole that is literally drilled in the bottom. It runs the water

into turbines, and this produces the power. About 40 percent of the power in urban Alaska comes from projects such as these. They have zero environmental impact. They do not affect the stream flows. They do not affect the fish runs.

So I have to look at the two different proposals and ask: How are we treating hydro? How are we treating runs of the rivers, the lake taps? How is that included in the proposals? I believe ignoring the potential for hydropower where it can be done without emissions and without any other environmental impact is a mistake and a needless mistake.

The clean portfolio standard also allows utilities to count not just the incremental nuclear power and the power from the next generation of nuclear, but it also allows you to count the power saved by energy efficiency programs. This is an area we all want to encourage. We want to encourage energy conservation and efficiency programs. This, I think we will all agree, is a justifiable addition to the bill.

Some will argue that the amendment waters down Congress's commitment to push renewable energy. I am just not buying into that argument. That is not the case. By increasing the standard to 20 percent from the 15 percent starting in the year 2020, we have offset any reduction in effort, but we have made the provisions more fair to all the States. As I mentioned, all States are not equal in their ability to produce renewable energy.

All State utilities can sponsor energy efficiency legislation. Most States are able to move toward nuclear power. Most States have some access to hydropower. Most States can benefit from landfill gases or from some forms of biomass. And all States can utilize fuel cells to reach a clean energy standard. But not all States have consistent wind patterns, have cloudless energy potential or good geothermal or ocean operations.

I look at the State of Alaska, with our geography and with our considerable landmass, considerable coastline, and say we are blessed with incredible resources when it comes to renewable resources. We have incredible geothermal potential. We have strings of volcanoes up the Aleutian chain and even in our south central area. With a coastline the size we have in Alaska, we have potential from ocean energy that is unequaled anywhere else in the United States. We have, as I mentioned, incredible wind potential, and we are seeing that particularly in our coastal communities where we are able to put wind-generating units, offsetting the cost of diesel, which is what currently powers far too many of our communities in the State of Alaska.

My point is, we are blessed in Alaska with renewable energy options. Those in perhaps the southeastern part of the United States have already pointed out some of the very real concerns they have with a renewable standard. In the Pacific Northwest, if we are not count-

ing any new hydro development, it makes one wonder: How will they be able to achieve the standards that have been set forth in a renewable portfolio standard if we cannot count the hydro?

I am concerned that we will move toward a one-size-fits-all solution. It is something we are wise to avoid; otherwise, we have electricity consumers in many of the States that will be better off by not having a Federal mandate at all but continuing under this patchwork arrangement of State renewable portfolio standards that are already being formulated. For them, it may be better to stick with that patchwork program than a Federal approach.

I have heard from the American Wind Power Association that the provision in this amendment that allows the Secretary to certify other clean energy sources to qualify in the future somehow creates a loophole that will harm renewable energy progress. But given the standards that are contained in the amendment, I don't believe this is a problem. All the provision does is allow new technology to be classified as renewable to benefit from the incentives this provision creates without waiting for Congress to act, which we all know can be a very lengthy process and one we really don't even want to count how long that can be.

As a strong supporter of renewables and a really strong supporter of wind energy, I am a huge proponent of wind energy. I am the sponsor in this bill of a grant program to have the Federal Government help pay up to 50 percent of the cost of renewable projects to help get the renewables over the hump of the higher construction costs. I want to work to encourage a rapid expansion of renewables. We need to increase renewable use in this country tenfold. We are currently at 2 percent. We need to get to 20 percent, and this is what is called for in the clean portfolio standard. But I think we need to be careful about narrowing the list of technologies so that we in the Government, we in the Congress are not picking the winners and losers; that we allow wind to compete with ocean energy, with geothermal energy; that we allow hydropower to compete with the advantages of energy efficiency programs.

We have to remember that if the Federal Government does not generously finance renewable power projects, consumers will be paying the bills for their construction through higher power rates. We have a fine line to walk between promoting renewables and raising the cost of electricity in some parts of this country too quickly and too high. That program, if you will, will harm low-income families and the competitiveness of the economy.

So while both proposals are admirable in very many respects—and I commend the chairman of the Energy Committee for his hard work in this area—I do believe the clean portfolio standard overall does a better job and is more fair to States that have different abilities to meet our renewable portfolio standard.

I urge my colleagues to study this, study it very carefully, and have an open mind when they cast their vote on these provisions.

Mr. President, I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. INHOFE. Mr. President, I have made it a practice for the last—I don't know how long it has been now, 12-plus years in the Senate—that any time I see a major tax increase coming along, at least I want to voice opposition, to get on record against it. That is what we are talking about right now with the renewable portfolio standard that is before us.

I support development of renewable energy resources, as do the citizens of my State of Oklahoma. In fact, in 2006, Oklahoma was ranked sixth in the Nation for wind energy capacity, surpassed only by Texas, Minnesota, Iowa, California, and Washington State. Those are real turbines lighting over 150,000 homes in Oklahoma without an RPS.

Let me emphasize, Oklahomans are developing wind energy without a one-size-fits-all Federal mandate known as an RPS, renewable portfolio standard.

Quite a number of years ago I spent a number of years as mayor of a major American city. Its problems were not the ones you would think, not crime in the streets, not prostitution. It was Federal mandates that were not funded. This is exactly what we are looking at here.

Under this amendment, Oklahomans would pay an additional \$6 billion for their electricity. You might ask where would that money go? It would go to perhaps the Federal Government to spend as it pleases, or it would go to other States that are lucky enough to have the particular energy sources that environmental groups decide today they want.

How does this promote clean energy in Oklahoma? It does not. The amendment cherry-picks technologies that have to be blessed by environmental groups but ignores the real clean energy benefits of nuclear power, hydro power, clean coal, and energy efficiency.

A kilowatt saved is a kilowatt earned. You can't get cleaner than energy efficiency, but it doesn't comply with the amendment.

The RPS amendment is nothing more than a tax increase. It is a tax on States that lack enough natural resources to meet the 15-percent mandate. It is a tax on States that do not harness the particular renewable technologies enshrined in this amendment, and it is a tax on States that do not

happen to have electricity transmission lines located where the renewable resources are. The States, I believe, know best on how to promote and manage the renewable resources unique to their States without another Federal mandate.

We had this discussion this morning when I had my refinery amendment up. I said there is this mentality in Washington that no decision is a good decision unless that decision is made in Washington, DC. I think that is what we are looking at here. This is an issue that should be left to the States, not enacted in an RPS. The decision should not be preempted, especially not when the cost is \$6 billion.

I know a lot of people are thinking, in terms of the things we talk about here in Washington, DC, \$6 billion is not an astronomical amount. But take a State with a population of the State of Oklahoma. A \$6 billion tax increase is huge, particularly when you do not get anything for it.

I hope we will oppose the amendment of Senator BINGAMAN on renewable portfolio standards.

Mr. KYL. Mr. President, I rise today in opposition to the Bingaman amendment relating to the renewable portfolio mandate. The Bingaman amendment would impose a 15-percent portfolio requirement for a limited number of so-called renewables by 2030. I oppose this amendment as I have opposed such proposals in the past because it is an egregious example of Federal command and control of the marketplace.

Renewables have been and will continue to be an important part of our energy mix. Hydropower, solar, geothermal, wind, municipal solid waste all make substantial contributions to our energy needs. These and the other power types—nuclear, clean coal, and natural gas—succeed in the market because they are cost-effective, not because the Federal Government has required them to be bought.

Congress has long supported renewable energy. That is one thing—Federal mandates are another. Fundamentally, I oppose Federal command and control of the marketplace. I have no doubt that any requirement that a particular percentage of electricity generation by renewables can be met. During World War II, through a tremendous expenditure of money and effort, we developed nuclear weapons when no one thought it was possible. During the sixties, no one thought it was possible to send a man to the Moon, but we did. A renewable portfolio mandate of any percent, be it 15 percent as proposed here or even 50 percent, is achievable—whether it be through actual generation of energy or through the purchase of credits from the Federal Government. But at what cost? What cost in terms of electricity rates to be paid by American consumers, estimated at over \$100 billion by 2030, at what cost in terms of stifling technological advancement into other alternative sources of energy? Over the past 20 years, renewable

technology has advanced by leaps and bounds, not because we ordered industry to generate more renewable power but because we gave incentives to generate new renewables. The Bingaman approach turns that on its head. Under the Bingaman amendment, renewable producers will gravitate to low cost, existing renewable sources. They will have no incentive to innovate and bring their costs down. The power generated will be sold almost regardless of cost.

The Bingaman amendment is nothing more than the Government deciding which type of energy is politically in favor and which type is politically out of favor. Right now, the wind industry is the big political winner. It is lower in cost than most renewables, currently gobble up 95 percent of available tax credit, and has the largest lobby for the Bingaman amendment.

Wind-generated power has significant environmental problems we need to address. First, wind turbines take up lots of space to generate any significant amount of energy, making them poor for urban environments and problematic for landscape viewsheds, especially near our Nation's national parks. They are also dangerous for wildlife. The National Academy of Sciences stated in a report released this year that bats are at considerable risk in the Southwestern United States and elsewhere, where reliance on wind power has been growing. The wind-power turbines generate sounds and, possibly, electromagnetic fields that lure the acoustically sensitive creatures into the spinning blades. In addition, local bird populations are also at risk. NAS also stated that local bird populations, especially peregrine falcons and other raptors that are attracted to windy areas where the generators are likely to exist, are at risk and called for additional study. Raptors "are lower in abundance than many other bird species, have symbolic and emotional value to many Americans, and are protected by federal and state laws." Besides these environmental impacts that must be looked at, the fact is, wind just doesn't blow enough in most parts of the country for this to be a viable source of energy for utilities across the country to rely on.

I believe the kind of energy utilities use to generate electricity should be based on the free market and consumer choice. If consumers want to buy the kind of renewable energy mandated by the Bingaman amendment, they are free to do so. Likewise, if they want to spend their money on something else, they should be free to do that too. Consumers are better able to decide what is in their own interest than government. Why should a family of four struggling to meet its monthly bills, to educate the kids, or help elderly parents be required—due to Federal political correctness—to purchase high-priced energy instead of meeting family obligations?

Over 20 States have already adopted their own renewable standards, including my home State of Arizona. They each did so, presumably, because those States decided it was in their citizens' best interests. I have long believed that decisions affecting people's lives and livelihoods should be made at levels of government that are closest to the people, not by bureaucrats in Washington.

Let's look at the problems with a Federal renewable portfolio mandate. First, as I said before, it picks certain politically favored renewable energy types for special treatment, ignoring what States have already decided to do on their own. The supporters of the amendment will tell you that is not the case and that State programs can continue, but that is only true if the State picked the same favorites this amendment does. For instance, what about Pennsylvania? Pennsylvania took a look at its energy availability and determined that coal to liquids made sense given its vast coal reserves. So coal to liquids counts toward meeting its State RPS. Under the Bingaman amendment, Pennsylvania would not be able to count this source toward the Federal mandate, in effect gutting its State RPS program and increasing the costs to consumers.

This example brings me to a basic problem with a Federal renewable mandate. Some regions of the country are blessed with abundant renewable resources, while others are not. The renewable mandate will create stupendous transfers of wealth from renewable-poor States to renewable-rich States. This means that consumers in New York City will send their hard-earned dollars to wind generators in Minnesota. Think about it. Consumers in New York City will pay for renewable electricity they don't even get. That is not fair. If the purpose of the renewable mandate is to lessen our dependence on foreign energy, there are better ways: nuclear power, clean coal, and oil and gas from regions of the United States that have been put off limits.

Let's face it, we have to have reliable sources of energy to meet the ever increasing consumer demand for electricity. However, the primary sources of energy that will be necessary to meet this mandate, wind and solar, are intermittent sources. What happens when the wind doesn't blow or the Sun doesn't shine? As we learned in economics 101, there is no such thing as a free lunch; consumers will pay. They will pay for the renewable energy and they will pay for the backup capacity that will come from what we know are reliable sources of energy—nuclear, coal and natural gas—to keep the lights on.

Mr. President, let me return to my fundamental concern about the renewable mandate. The Bingaman amendment gives the Federal Government the power to micromanage the marketplace with a one-size-fits-all mandate; I want States to determine the best mix

to meet their energy needs and allow the free market to work. Thus, I will vote no on the Bingaman amendment.

**THE PRESIDING OFFICER.** The Senator from Illinois.

Mr. DURBIN. Mr. President, I rise today in support of the renewable portfolio standard offered by Senator JEFF BINGAMAN of New Mexico. The phrase "renewable portfolio standard" is a question most of us would fail on the final exam. What does it mean? To try to put it in the most simple terms, what we are trying to achieve here is the generation of electricity through means which meet the needs of our families, our businesses, and our economy, but create fewer environmental problems. That is it—renewable fuel. By doing this, we are going to end up with an environment which is kinder and cleaner for future generations.

Let's be very honest about this. Some of the people who oppose this renewable portfolio standard do not believe we have an environmental problem. They do not believe global warming exists. They do not believe climate change is an issue. They do not believe pollution is a problem. They can't understand why we are trying to change the way we generate electricity. If that is your point of view, I can understand why you would oppose the amendment of Senator BINGAMAN, because it seems like much ado about nothing. Why would we be spending all this time, all this effort, all this debate, and all this force in changing the way we generate electricity if everything is fine the way it is?

I am not one of those persons. I believe we do face some serious environmental challenges in the world today which, if they go unresolved and unanswered, will change the Earth on which we live. In fact, I think the process is underway. I do not think it is positive. I think the evidence is abundant that as we become more industrial in the world we live in, we have generated more smoke, more pollution, more greenhouse gases, and it is changing the world in which we live.

Some people will say that is what we expect to hear from the environmentalists, those extremists, those tree huggers. They have been singing this song ever since Earth Day was first created. But you know what is happening? There are some hard-headed businessmen coming to the same conclusion. When I visit a major insurance company in my home State of Illinois which has announced it is no longer going to write property insurance on Gulf Coast States for fear of the violent storms that are causing damage, it tells me this has gone beyond the musings of some people in the green movement. It now has become an economic reality, that the world is changing and in some respects not for the better.

If we know that to be true, the obvious question is what will we do about it? Listen to the debate on the floor, Senator after Senator coming in saying

this is too complicated. This is the big hand of Government. It sounds like more taxes. It is going to force some change, pick winners and losers, let's put this off to another day. Let's get back to this next year or the year after.

I have heard that song before, over and over again. I do not believe the American people sent us to Washington to put off addressing the problems which we face in this Nation and this world today. We have to tackle them. Some of them are controversial. Some of them may not be popular back home. But we are sent here to make a decision. Even if the decision is uncomfortable for some, we have to understand it is important.

This renewable portfolio standard—a mouthful, if you will—requires retail electric utilities to include 15 percent renewable energy in their generation portfolios by the year 2020. We give a lot of flexibility to the utilities about how to reach this goal. They can generate this renewable electricity themselves—build wind farms or solar facilities. Some people say maybe these wind farms won't work. I did not know much about wind farms myself. What I read suggested my home State of Illinois was just OK when it came to wind energy. But now as I move around my State, I see big changes. In the Bloomington-Normal area, central Illinois, the Twin Groves project, they are in the process of building 240 wind turbines, huge turbines.

Sadly, they are made in Europe. I hope the day comes soon when more are made in the United States. But they are coming here to generate, with the wind blowing across the cornfields, electricity. It is a \$700 million investment. It will generate enough electricity from these wind turbines spread out among the cornfields to take care of the needs of 120,000 families in central Illinois. At the end of the day, there will not be pollution added to the atmosphere. It will be natural wind power turning the turbines, generating the electricity for the families and businesses in that area. That is renewable electricity.

When it comes to solar power, I guess some people think that is a vestige of some musings back in the 1950s and 1960s, but it is not. Solar energy today is growing in its usage. You see it all over the United States, little solar panels that are now collecting enough energy to do little jobs. Then you take a look at the world scene and look at a country such as Germany, not a country you might single out as being a leader when it comes to solar energy. As a country, I doubt it has much more sunshine than parts of the United States. But 20 years ago the Germans made a commitment to solar energy and now that commitment is paying off. By guaranteeing return on investment, more and more solar panels are being installed and they are generating more electrical power from the force and power of the Sun. We can do the same.

How do you reach that goal, for more solar panels? You create incentives. How do you create these incentives? The Bingaman amendment. The Bingaman amendment says if you are an electrical power generating company, we want 15 percent of the power you generate by the year 2020 to come from sources such as wind and solar panels.

What is that going to do? It is going to change the nature of the solar power industry. There will be more companies, there will be more compensation, there will be more research, there will be more efficiency. When it is done, we will end up with the electricity we need to lead the good lives we have without creating a mess in this atmosphere that changes the climate and creates pollution, creates problems such as asthma and lung disease. We will be moving in the right direction instead of the wrong direction.

There will always be voices opposing this kind of change. It is too much for some people. It is a vision of the world they cannot imagine. It is addressing a problem which many of them do not even acknowledge and that is why you run into resistance.

Some say it is a great idea, but America is not up to this challenge; we can't generate the technology to meet this challenge. Come on. I disagree. There has not been a time in our history when this Nation has been challenged to achieve anything, from a man on the Moon to taming the atom, that we have not risen to the challenge. We can do it here and we must do it here. I believe in the creative genius of this American system of government and this economy.

If you believe in it, a 15-percent renewable portfolio standard is not a leap of faith. Of course, if the electric utilities do not have their own generating capacity through solar panels or wind power or other sources, they have an option under this to purchase credits from other utilities that do.

This is a market-based mechanism that Senator BINGAMAN's amendment addresses. It will drive competition into the renewable market without picking winners. It is basically going to say: We have some goals we have to meet; now who can do those best? Using the Energy Information Administration's data, a national 15-percent renewable portfolio standard would save American consumers \$16 billion on their electric and natural gas bills by the year 2030; commercial customers would save \$8 billion; industrial, \$5 billion; residential, \$3.3 billion.

A renewable portfolio standard will create jobs and income in rural areas. I know this for a fact; that is where I come from. I come from downstate Illinois. I have seen these wind farms, and they work. Each large-scale wind turbine that goes on line generates \$1.5 million in economic activity and provides about \$5,000 in lease payments per year for 20 years or more to a farmer, rancher, or landowner.

If you drive south of Rockford, IL, and go through a little town called

Paw Paw, IL, that really was kind of disappearing on us, with a little cafe or two and a little gas station, all of a sudden people are paying attention. Why? Because they have about 20 wind turbines right next to Paw Paw, IL.

I stopped my car and went over to the farmer who lives in the shadow of these wind turbines. This man had a smile from ear to ear. He is getting a monthly lease payment for them to put the wind turbines on his property, and he has planted corn right next to these wind turbines. He is getting the best of both worlds—the lease payment and the production from his own land. He couldn't be prouder.

How did they end up putting those wind turbines in that tiny town? I can tell you why they put them there. Because the mayor of the city of Chicago, about 50 to 60 miles away, said to the utility company, the electric company supplying electricity to the city government, that they required—the city contract required a percentage of renewable sources of electricity. So this electric power company decided they needed to build some wind turbines. They built them, put them in Paw Paw, IL. They are now feeding electricity into the grid instead of burning coal or some other pollutant. They are trying to find a way to generate electricity and not make the environmental situation worse. It works. It is in smalltown America. It is in rural America, and it pays off.

We have over 100 megawatts of wind energy in Illinois already. A conservative estimate shows these turbines generate enough electricity currently to power 22,500 homes; another 300 megawatts under construction, and that would generate another 1,200 megawatts of electricity. If all of those projects are completed, Illinois will be generating enough electricity to power over 370,000 homes from this wind energy.

Now, with a 15-percent renewable portfolio standard, America would increase its total homegrown, clean, renewable power capacity 4½ times the present level. Senator BINGAMAN's amendment gives us 13 years to reach that goal. It is not unrealistic. In fact, I think one might argue we can do better. I hope we will.

Some States have already adopted standards far higher than what Senator BINGAMAN is suggesting as a national standard. With the abundance of renewable energy resources—the sun, the wind, the Earth itself—the technical potential of major renewable technologies could actually provide more than five times the electricity America needs.

There are limits of how much this potential can be used because of competing land uses and costs, but there is more than enough to supply 15 percent, maybe even 20 percent.

Twenty-one States and the District of Columbia have already established a renewable electricity standard. Illinois, for instance, has a goal of 8 per-

cent by 2013; New York, 24 percent by 2013; Colorado, 16 percent by 2020.

By diversifying and decentralizing our energy infrastructure, increased reliance on renewables provides environmental, fuel diversity, national security, and economic development benefits for everybody. Increasing renewable energy will reduce the risks to the economy posed by an overreliance on a single source of new power supply.

Additionally, the 15-percent national standard will reduce carbon dioxide emissions by nearly 200 million metric tons per year by 2020—a reduction of 7 percent below the business-as-usual level. That is the equivalent—the Bingaman amendment is the equivalent of taking 32 million cars off the road.

Furthermore, the Energy Information Administration study found that a 20-percent renewable energy standard would reduce the cost to consumers of meeting four pollutant reductions from powerplants by \$4.5 billion in 2010 and \$31 billion in 2020, compared to meeting the emission reductions without a renewable standard.

I support this amendment. I believe that diversifying our electricity portfolio and encouraging the development of clean, renewable resources provides economic and environmental benefits to our country.

I would say to those who are engaged in this debate: Do not bemoan global warming, do not cry about climate change, do not say you really are concerned about pollution if you cannot accept the challenge of the Bingaman amendment. In the next 13 years, we can meet this goal. It is a challenge to America which we can meet and exceed. I am confident we will. In the process, we will find cleaner ways to generate electricity. We will create less pollution for the people who live in this country. We will end up with new technologies, new business opportunities that demonstrate the strength of this great country in which we live. We can meet this goal. We should not shrink away from it.

I thank the Senator from New Mexico for his leadership in bringing this amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. OBAMA). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I don't know how much longer we are going to be here this evening. I have not been able to confer with Senator BINGAMAN on the timing. But I do not think we are going to be here very late. I am not sure—I mean, I am sure we are not going to vote on either amendment this evening. Nonetheless, there are a couple of Senators—at least one standing there—who have not talked today and who want to.

I am going talk for a little bit. First, I want to say to everybody—including the previous immediate speaker who spoke about what kind of people we are who think we have something better than Senator BINGAMAN—I want to say

that there is no animus between Senator BINGAMAN and PETE DOMENICI. We are friends, and it is almost difficult when people are saying: You do so many things together; how can you come up on opposite sides of this? Well, I just studied it as best I could, and I came up with what I thought was a better idea. We have to do that. That is what we are elected for. New Mexicans ought to be wondering what is cooking, but they also ought to know that he has an idea and I have a different idea built on it, and that is all there is to it. One or the other or neither will get adopted, and we will have a good exchange here on the floor to see what is really happening.

I do want to say that anybody who comes to the floor and talks about how much richer we are going to get by having a plan like Senator BINGAMAN's, the mandate for each State—I have not seen any estimate of the cost to the people of either Senator BINGAMAN's approach or mine. I have seen one of Senator BINGAMAN's plans—two of them, and none of them say you are going to make money; both of them say it is going to cost a lot of money to the taxpayers. One says a lot more than the other. So I guess they really don't know. EIA recently studied the 15-percent RPS mandate and found that it would cost \$21 billion. But there was another one that was already done before that by Global Energy Decisions, and they said the cumulative cost to consumers would represent \$175 billion over the 20-year life. But in both cases, they said it was going to cost money.

So I don't think anybody is going to get all excited about a statement down here on the floor that, among the many things, having a mandate that every State be the same, have 15 percent, nobody is going to get excited and stand up and jump here on the floor of the Senate with the idea that this is a good way for each State to make money. It is going to cost them money. It may be a great idea, and it may be worth it.

But I am here tonight to suggest—and I also want to say that the last speaker on the Democratic side, the Senator from Illinois, spoke also about some of us as if we do not believe in wind energy. Well, let me say, there are not too many Senators who came to the party here in Washington in helping wind energy. There are not too many who helped them more or came to help them sooner than this Senator. The Senate and the House have been helping solar energy to a fare-thee-well. We will continue to do that. But I can say to the wind industry that I have helped you all the way through, and now I note that you are out campaigning as hard as you can for this Bingaman proposal, this proposal by Senator BINGAMAN, this mandate. When you look at it and think about it, it is a mandate that we use more and more wind energy. That is what it is.

Now, I am not at all sure we are right in assuming that across this land the

fundamental way to get things going right is for every State to march to the tune of getting to 15 percent of solar energy in their base. I am not sure that is the best thing for the United States. I think maybe when it was dreamt up, nobody thought there were any other alternatives. But there are, and certainly we are making a mistake in saying it is going to be the language of the Bingaman bill or nothing else when we already see that means wind for the next 20 years or more.

What I tried to say in mine was maybe there is something good about pushing States to change. But I provided alternatives for diversification.

I say to my friend from Montana, I do not know where you stand on a nuclear powerplant. If you have never had one in your State, you are not going to get one because they are building them right where they were. So States that had them are going to get nuclear powerplants within the next 10 years, many of them right where the existing powerplants are. All the Senator from New Mexico, the senior Senator, said was that if that is done during the lifetime of this program and you put in a new nuclear powerplant, you ought to get credit for that. And the only way I could think of was to call my portfolio the clean energy portfolio. That is what it is. And when you look at it that way—and I added to the availability of what is allowed, I added nuclear and I added some other things that I truly believe we should pursue with vigor, and I raised the ceiling to 20 instead of 15. Now, when you look at it, you get a chance of one or the other.

The distinguished Senator, my colleague from New Mexico, thought it was kind of unexpected that this bill had an opt-out and seemed to make of it as if that was something very bad. Look, we are open and sincere about our bill having an opt-out. When a State meets the goal, we see no reason for them to stay in. We think they ought to be able to get out. There is nothing that is naturally ideological or philosophical about it; it just seems there is no reason to keep them in. We have seen no good suggested from keeping them in, and so we think when they get through and meet their goal, they ought to be able, if they want to, to get out. If, in fact, they are already tied together because of electric lines and the like, they will not destroy all of that. There will still be relationships of those types which were built, and the ones that are needed will stay on. They will be there for a long time.

Let me say in closing that one from the other side of the aisle need not talk about those on this side of the aisle, including this Senator, as if we don't understand what wind energy is and we don't have enough dreams about solar energy. We understand both of them. We have funded both of them. We have put the identical tax benefit on both, the same as we have put on everything else.

Last year when we did them all, we gave them all a 27.5-percent tax credit,

from nuclear power all the way down to solar, bio, and everything else. They all got the same. We had already begun funding wind power. Again, I say to the nuclear industry, but for the Congress of the United States, the truth is, there would be no wind industry, because without the tax credits we gave to make wind energy work, there would be no wind energy except in a few places. I am not saying that in any way negative. I am for it. I don't know how many more years we will have to give them this tax credit to push them over the hump, but I am going to do that because I believe they ought to move ahead. We are learning both sides of the wind energy delivery system. We are beginning to see some negative aspects to it. It was all positive at one time. Some people are reporting negative ones. Out in the country where we used to raise cattle, certainly anybody who leases their land is delighted. They make a lot more money out of wind turbines than they do trying to graze cattle. There is no doubt about that. Some of those cattlemen are extremely happy because they don't look like the old windmills. They are much different. But they pay well, so they are glad. They joined up with wind energy, those who are lobbying for them. They got all the property owners who are getting paid. They joined them. That is good. I don't know who is lobbying for the rest of the kinds of energy we want to put in so we have diversity.

All this is a vote to distinguish the two. If you want diversity of clean energy, vote for Domenici. If you want to be tied rigidly by a Federal statute to what is almost all wind, vote for Bingaman. If you want to vote for letting those who have already met their goal opt out if they want, vote for Domenici. If you want to say they have to stay in, somebody ought to tell us all why and how long they should stay in, but if they are going to have to stay in and be rigidly construed as to what counts, then obviously, you have to vote for the Bingaman amendment.

We will have more discussion because everybody is getting well informed and asking questions. I don't know what is going to happen immediately after this. I assume the distinguished Senator from Montana will speak. He was next. I will be leaving and apologize in advance that I would not get to hear his speech about this bill. Maybe someday we can meet back up there in Montana on the campaign trail and he can talk about Montana and I can talk about I don't know what. He can tell me what to talk about. But it is good to be here with him on the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. TESTER. Mr. President, I thank the Senator for the kind words. I appreciate that. I look forward to having him in "big sky" country anytime he wants.

I rise in strong support of the Bingaman amendment. Change is difficult, if

you are young, if you are old, and oftentimes change is difficult in politics. But what we are talking about is a national energy policy, a long-term national energy policy that people and investors and consumers can depend upon. Within this national energy policy, there is an amendment called the Bingaman amendment that deals with the renewable energy standard.

Interestingly enough, back in 2005, in a former life when I was in the Montana Senate, I carried a bill for a renewable energy standard in Montana that increased the renewable energy portfolio by 15 percent by 2015. Let me tell you what happened there. The important parts of this bill were 8 percent by 2008 renewable energy in the portfolio, 10 percent by 2010, and 15 percent by 2015. That was the bill that we carried in the Montana legislature. What happened was, the first year they met the 8 percent. They will meet the 10 percent by next year, 2 years ahead of schedule. It is predicted by 2011, the independent-owned utilities will meet the 15-percent threshold, 4 years early.

The fact is, this amendment is not cutting edge. This amendment is what is right for the country, renewable energy. Everybody talks about wind. Wind is an important part of renewable energy. But geothermal is also another one. We haven't even tapped into the geothermal resources we have, and they are massive. That is a renewable energy. Biomass, small bore timber, wood waste products, crop byproducts to help power generators, that is renewable energy. Landfill gas is another one we haven't tapped into, a renewable energy. Electricity created by solar, by the Sun, is a renewable energy. Biofuels such as camelina, such as biodiesel, powering generators, that is renewable energy.

Make no mistake about it, when we talk about renewable energy, it is not just wind—although wind is an important factor—it is many different avenues we can go down that suit some parts of the country better than others. By the way, back in 2005, when we were dead last in wind energy production, that little renewable portfolio standard bill we passed took Montana from 50th to 15th in the Nation in renewable energy production. We see transmission lines being built in the State, something that wasn't done before. We saw a whole lot of wind generators go up in rural Montana, where jobs are most needed, where economic development is most needed, where we develop a tax base for our schools and counties in those areas that have seen depopulation, giving these areas hope.

What we are talking about is a long-term policy that will invest in America's consumers and this country. In the process, it will result in a 50-percent increase in wind generation, a 300-percent increase in biomass generation, a 500-percent increase in solar power, and it will reduce emissions by some 222 million tons per year by 2030. It is cheap. It is clean. It is a solution for

the climate change issue. It diversifies our production as far as where the energy is produced. It diversifies the energy portfolio which is critically important.

If the Members of this body want to help move this country forward, help make this country energy independent and address the global warming issue, I recommend a "yes" vote on the Bingaman amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I yield to the Senator from Iowa for whatever time he wishes.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to address the Senate as in morning business.

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

#### ALTERNATIVE MINIMUM TAX

Mr. GRASSLEY. Mr. President, once again, as a leader of our party on the Finance Committee, I come to the floor to discuss one of the important tax issues that must come before Congress. That is the alternative minimum tax. I am sure many have noticed that the alternative minimum tax is frequently the subject of my many speeches. They may be wondering how long I intend to keep talking about it. The simple answer is I intend to keep talking about it—meaning the alternative minimum tax—until this Congress actually takes some action. Instead of taking action, this Congress has done absolutely nothing. The problem continues to get worse for millions of Americans who will be caught by the alternative minimum tax and are now being caught. It is this "now being caught" that I wish to emphasize, because when I speak about those now being caught by this alternative minimum tax, I am referring to those families who make estimated tax payments and who will be making their second payment for this quarter this Friday.

Last year, 2006, 4 million families were hit by the alternative minimum tax. This was 4 million too many. Of course, it is considerably better than what we know for the year we are in right now, when 23 million Americans, mostly middle class, will be hit by the alternative minimum tax. The reason we are experiencing this large increase this year is that in each of the last 6 years, Congress has passed legislation that temporarily increased the amount of income exempt from the alternative minimum tax. These temporary exemption increases have prevented millions of middle-class Americans from falling prey to the alternative minimum tax until now. While I have always fought for these temporary exemptions, I believe the alternative minimum tax ought to be permanently repealed because it was never meant to hit the middle class—and it is hitting the middle class—and because the class of people it was intended to hit, the super-

wealthy, are finding ways of getting around what was thought to be a bright-light idea in 1969. It is hitting maybe a few hundred people, finding that superrich class not even paying the tax. So it isn't serving the purpose it was intended to serve, and it will hit middle-class Americans who were never intended to be hit by it by 23 million this year.

One reason I have previously given for permanent repeal is it may be difficult for Congress to revisit the alternative minimum tax on a temporary basis every year, as we have for each of the last 6 years. From January 1 of this year until now, when the second quarterly payment is going to be made, proves me right, because nothing has been done. So the new Congress has yet to undertake any meaningful action on the alternative minimum tax. Several proposals have been tossed around by the other body, meaning the House of Representatives. I have discussed a few of them in my earlier speeches. I generally find these proposals lacking but completely agree with my colleagues that something needs to be done, at least I seem to agree. Despite assurances that the alternative minimum relief is an important issue, nothing has actually been put forward as a serious legislative solution.

This chart I am going to put up reflects how the alternative minimum tax has been handled by this Congress so far. It is kind of a smoke-and-mirrors example that I use because we have had numerous proposals talked about, but that is all, just talk. An academic discussion is not in any way a serious substitute for real action this Congress ought to take, as tomorrow people making their quarterly payments will attest to.

I have also come to realize the best way to learn about new proposals that deal with the alternative minimum tax is not to check for the new legislation in the CONGRESSIONAL RECORD but to check the daily newspaper. In the course of reading the Washington Post last Friday, I came across another trial balloon—I emphasize "trial balloon"—for a new idea about the alternative minimum tax that was printed in the business section of the newspaper. A lot of people were out of town on Friday, so I ask unanimous consent that the article entitled "Democrats Seek Formula to Blunt Alternative Minimum Tax" be printed in the RECORD.

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

[From the Washington Post, June 8, 2007]  
DEMOCRATS SEEK FORMULA TO BLUNT AMT;  
ONE PLAN WOULD IMPOSE SURTAX OF 4.3%  
ON RICHEST HOUSEHOLDS

(By Lori Montgomery)

House Democrats looking to spare millions of middle-class families from the expensive bite of the alternative minimum tax are considering adding a surcharge of 4 percent or more to the tax bills of the nation's wealthiest households.

Under one version of the proposal, about 1 million families would be hit with a 4.3 percent surtax on income over \$500,000, which

would raise enough money to permit Congress to abolish the alternative minimum tax for millions of households earning less than \$250,000 a year, according to Democratic aides and others familiar with the plan.

Rep. Richard E. Neal (D-Mass.), chairman of the House subcommittee with primary responsibility for the AMT, said that option would also lower AMT bills for families making \$250,000 to \$500,000. And it would pay for reductions under the regular income tax for married couples, children and the working poor.

All told, the proposal would lower taxes for as many as 90 million households, and Neal said it has broad support among House leaders and Democrats on the tax-writing House Ways and Means Committee. "Everybody's on board," he said.

Neal has yet to release details of the plan, however, and others inside and outside the committee say major pieces of it are still in flux. Some Democrats say Neal's plan stretches the definition of the middle class too far, providing AMT relief to too many wealthy households. They argue that the cutoff for families to be spared from the AMT should be lower, at \$200,000, \$150,000 or even \$75,000.

"There is consensus to make sure that we have some responsible tax policy that will also treat taxpayers fairly. No one ever expected to be caught in the AMT making 75 grand," said Rep. Xavier Becerra (D-Calif.), a Ways and Means Committee member whose Los Angeles district is populated by working poor. "We're trying to come up with a fix that does right by the great majority of Americans who fall into the middle class."

The debate has focused attention on a different surtax proposed by the Tax Policy Center, a joint project of the Urban Institute and the Brookings Institution. That plan would eliminate the AMT and replace it with a 4 percent surcharge on income over \$200,000 for families and \$100,000 for singles, cutting taxes for 22 million households and raising them for more than 3 million.

"Our plan is as simple as can be. And only 2 percent of the whole population would have to pay it," said Leonard E. Burman, director of the Tax Policy Center. The plan has the added benefit of abolishing the complicated AMT at all income levels, Burman said, an approach some lawmakers find attractive.

On the other hand, fewer families' taxes would be cut, diminishing the ability of Democrats to capitalize on the plan politically. Since they took control of Congress in January, Democrats have made repealing or scaling back the AMT a top priority in hope of establishing tax-cutting credentials and seizing the issue from Republicans for the 2008 campaign.

The alternative minimum tax is a parallel tax structure created in 1969 to nab 155 super-rich tax filers who had been able to wipe out their tax bills using loopholes and deductions. Under AMT rules, taxpayers must calculate their taxes twice—once using normal deductions and tax rates and once using special AMT deductions and rates—and pay the higher figure.

Because the AMT was not indexed for inflation, its reach has expanded annually, delivering a significant tax increase this spring to an estimated 4 million households. The AMT would have spread even more rapidly after President Bush's tax cuts reduced taxpayers' normal bills, but Congress enacted yearly "patches" to restrain its growth. The most recent patch expired in December, and unless Congress acts, the tax is projected to strike more than 23 million households next spring, many of them earning as little as \$50,000 a year.

House Democrats want legislation to spare those households while also lowering the

bills of many current AMT payers. But they face numerous obstacles. In the Senate, Finance Committee Chairman Max Baucus (D-Mont.) favors AMT repeal but considers it too ambitious for this year. Baucus has said another year-long patch is more likely.

In the House, some Democrats argue that more time is needed to explain the issue to the public. The vast majority of households have yet to pay the AMT and may not fully appreciate the value of eliminating the tax, while the wealthy are sure to feel the bite of a new surtax.

"I don't think there's enough of an understanding right now that you've got this tidal tax wave about to hit everybody," said Rep. Chris Van Hollen (D-Md.), a Ways and Means Committee member who is also chairman of the Democratic Congressional Campaign Committee. "From a political perspective, we need to lay the groundwork."

Before the Memorial Day break, Ways and Means Committee Chairman Charles B. Rangel (D-N.Y.) said he hoped to announce an AMT proposal as soon as Congress returned to Washington. But his timetable has slipped to late June, Democratic aides said, with the issue set to go before the full House sometime in July.

Republicans generally oppose new taxes on the wealthy, saying they disproportionately affect small businesses, but are waiting to hear more before deciding whether to work with Democrats or offer their own plan to abolish the AMT.

"House Democrats are going to have to find their sea legs on this issue fast," said Rep. Phil English (R-Pa.), the senior Republican on the Ways and Means tax subcommittee. "Folks seem to be launching a lot of trial balloons, and it's all very festive. But I don't have enough really to react to yet."

Mr. GRASSLEY. The concept underlying the alternative minimum tax fixes highlighted in this article in the Washington Post is that the alternative minimum tax could be abolished for families and individuals making less than a given amount, and that the resulting revenue loss would then be offset by a surtax—I want to emphasize: creating a new tax, a surtax—on what the article refers to as our "nation's wealthiest households."

Now, when they use the term the "nation's wealthiest households," remember that was the whole concept of the alternative minimum tax in the first place, in 1969, to tax a few thousand people with this tax, and now they are not even being hit by it.

I will bet you, you could have this surtax, and you are still going to find people who can hire the best lawyers to avoid paying that tax. When I say "avoid paying that tax," I mean avoid paying that tax in a legal way, not in a way that is extralegal.

There are two basic proposals that have been laid out in that Washington Post article. One of them, put forward by a member of the Ways and Means Committee of the other body, would use a 4.3 percent surtax on income over \$500,000 to offset the elimination of the alternative minimum tax for people earning less than \$250,000 a year.

Now, it is estimated in the article that the surtax of 4.3 percent would affect about 1 million families. It is also suggested the alternative minimum tax bills would be decreased for fami-

lies earning between \$250,000 and \$500,000 yearly as part of this option. Now, I am not sure how individuals would be treated in this plan.

Interestingly, immediately after the insistence that this option enjoys a great deal of support, the article notes that details of the plan have yet to be released. In the tax world, the devil, of course, is in the details. So I am curious as to exactly what it is that is enjoying this broad political support.

I will note that Ways and Means members have now denounced—now denounced—this label they have applied to this 4.3 percent tax. They have denied the "surtax" label.

So, Mr. President, I ask unanimous consent to prove what I said, that an article from Tax Notes Today be printed in the RECORD. That is a publication dated June 13, 2007.

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

[From Tax Analysts, Tax Notes Today, June 13, 2007]

#### WAYS AND MEANS DEMOCRATS TAKE OFFENSE TO NOTION OF SURTAX

Both House Ways and Means Committee Chair Charles B. Rangel, D-N.Y., and committee member Richard E. Neal, D-Mass., have said that while their plan to reform the alternative minimum tax will likely be paid for by increasing taxes on the wealthiest taxpayers, claims that they plan to create a "surtax" on the rich are unfounded.

"We have not agreed to any surtax," Rangel told reporters June 12. "But that might be another way to say that we're going to adjust the rates to make up for what we don't raise in terms of all the loopholes and knocking out credits and looking for this \$340 billion [in the tax gap]."

Neal also objected to the notion of a surtax in comments to Tax Analysts on June 11, although he did not completely rule out the possibility of using the proposal when his plan is finally introduced.

"Obviously we're going to ask 1 million people to help pay for tax relief for 92 million people," Neal said.

The idea of a surtax to pay for the Democrats' AMT reform proposal was first proposed in a May 23 Urban-Brookings Tax Policy Center paper in which Len Burman and Greg Leiserson argued that the AMT should be repealed and replaced with a surtax of 4 percent on adjusted gross incomes above \$100,000 for singles and above \$200,000 for married couples. That change would lead to a more progressive tax system and would be approximately revenue neutral over 10 years, they said. (For the paper, see Doc 2007-12677 or 2007 TNT 102-36.)

Although the details of the Democratic AMT plan have not been released, subsequent media reports have claimed that Ways and Means Democrats plan to employ a surtax in their effort to comply with House "pay as you go" budget rules.

House Majority Leader Steny H. Hoyer, D-Md., acknowledged that the idea of a surtax is under consideration by the Ways and Means leaders, but said he was unwilling to "prejudge" whether Democrats in the chamber would ultimately support that proposal. He added that pay-go rules will require lawmakers to make difficult choices when it comes to offsetting the costs of any AMT reform legislation.

"What we want to do is fix the AMT permanently and fix it in a way that does not add to the deficit," Hoyer said. "We adopted pay-go. We believe in pay-go."

Rangel and Neal have also repeatedly said that they are committed to complying with pay-go rules, and Rangel said all revenue-raising options are on the table.

"There's nothing we're not considering in terms of raising revenue to take care of the AMT and expand the child credits," said Rangel.

Rangel's committee is expected to mark up its AMT reform legislation in July, with House floor consideration likely to come the same month. The committee's AMT plan is expected to exempt from the AMT taxpayers earning less than \$250,000. Those earning above \$500,000 would see an increase in their AMT liability, while taxpayers earning between \$250,000 and \$500,000 would see a reduced AMT liability. Several other proposals to benefit lower-income taxpayers—including expansion of the earned income and child tax credits—are also expected to be part of that proposal.

Mr. GRASSLEY. Now, the other plan comes from our friends at the Tax Policy Center. In a similar plan to the one I just discussed, a 4-percent surtax would be charged to individuals with adjusted gross incomes above \$100,000 and couples with incomes above \$200,000. The surtax would apply to income above those thresholds, and the thresholds would be indexed for inflation after the year 2007. Under this option, the alternative minimum tax would be completely repealed.

To give an idea of how many people would be hit by this surtax, according to IRS statistics of income, in the year 2004—the latest year we have information available for—there were 1,427,197 returns filed by singles reporting adjusted gross incomes of at least \$100,000. In the same year, married persons filing jointly numbered 2,569,288 returns reporting adjusted gross incomes above \$200,000.

Mr. President, 2004 is the most recent year we have for this data. I realize the proposal hits singles with incomes greater than \$100,000 and my numbers would include someone with an income exactly at that amount, but we can see the Tax Policy Center's plan would impact roughly 4 million singles and joint filers. It would likely impact more than that, since my numbers do not include heads of households or other categories, but you get the idea, I hope, that a lot of people would still be impacted.

Now, as I said before, I am glad people are thinking about the alternative minimum tax and realize it is a very real problem out there and, specifically, this year, for 23 million middle-income-tax people who would not otherwise be hit. But as I have discussed more and more of these proposals with you, I have started to see them—as my chart indicates—as more smoke and mirrors than actual, real legislative proposals.

For one thing, legislation is not introduced in a newspaper—even from the prestigious Washington Post. I keep hearing about proposal after proposal, but nothing is actually done. Everyone seems to agree something needs to be done and needs to be done quickly, but the discussion does not go further from that point.

I spoke about the alternative minimum tax at the beginning of this Congress, in January and when the first quarterly payment was due. I am here now that the second quarterly payment is due. I bet I will be here when the third quarterly payment comes due, saying largely the same thing I am saying right now.

Aside from the fact that Congress does not seem to be under any pressure to actually take action, all of the proposals I have discussed here share the same major flaw in that they seek to offset any revenues not collected through reform or repeal of the alternative minimum tax. Notice I said "not collected." And I did not use the word "lost." This distinction is important for the simple reason that the revenues we do not collect as a result of alternative minimum tax relief are not lost because the alternative minimum tax collects revenues that were never supposed to be collected in the first place.

Let me emphasize that. We cannot talk about lost revenue because we are talking about 23 million people being hit by the alternative minimum tax who were never supposed to be hit by the tax in the first place. The alternative minimum tax collects revenues it was never supposed to collect in the first place. Originally conceived as a mechanism to ensure high-income taxpayers were not able to completely eliminate their tax liability, the alternative minimum tax has failed.

In 2004, IRS Commissioner Everson told the Finance Committee the same percentage of taxpayers continues to pay no Federal income tax. So the alternative minimum tax is not even working for those who were supposed to pay it. This was originally created in that first year with just 155 taxpayers in mind. Of the two plans I discussed earlier, the one that would impact the lower number of filers would still hit about 1 million families. See how 155 has grown to 1 million families?

Finally, if we offset revenues not collected as a result of alternative minimum tax repeal or reform, total Federal revenues are projected to push through the 30-year historical average and then keep going.

This chart I have in the Chamber, which is reproduced from the non-partisan—I want to emphasize "non-partisan"—Congressional Budget Office's publication called "The Long-Term Budget Outlook," issued in December 2005, illustrates—as you can see by the red mark—the ballooning of Federal revenues.

The alternative minimum tax is a completely failed policy that is projected to bring in future revenues it was never designed to collect—and 23 million people being hit this year by it. A large share of that 23 million people being hit by it now in the second quarterly estimate they are filing is absolute proof of people being hurt by a tax that was never supposed to hit them in the first place.

Of course, the best solution to this mess would be S. 55, and that is called the Individual Alternative Minimum Tax Repeal Act of 2007. It is a bipartisan bill introduced by Senator BAUCUS, the chairman of the Finance Committee, and this Senator, along with Senators CRAPO, KYL, and SCHUMER. Senators LAUTENBERG, ROBERTS, and SMITH have also later signed on as co-sponsors.

While permanent repeal without offsetting is the best option, we absolutely must do something to protect taxpayers immediately, even if it involves a temporary solution such as an increase in the exemption amount. Of course, if we do not do that, we are going to be in the same fix next year, and I will be making the same points at that particular time.

This Friday, taxpayers making quarterly payments are going to once again discover the alternative minimum tax is neither the subject of an academic seminar nor a future problem we can put off dealing with. It is the real world for those taxpayers filing Friday. They are being hit by it. The alternative minimum tax is a real problem right now, and if this Congress is serious about tax fairness, we need to stand up and take action on the alternative minimum tax.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me speak briefly. I know my colleague, Senator SANDERS, is in the Chamber and wishes to speak. I will not delay him long.

Let me make three brief points with regard to Senator DOMENICI's second-degree amendment. What that amendment does is it does three things to the renewable portfolio standard I have sent to the desk.

First of all, it starts out by saying: Since it is a requirement that you produce a certain percent of the power you are selling from renewable sources, let's take the base amount of power you are selling and redefine it so it is smaller. It does that by saying: OK, if you are selling any power you produce from nuclear sources, that does not count in the base. So that automatically eliminates 20 percent of the electricity being sold in this country today.

It says: OK, that way, you can suggest to people we have a 20-percent goal here—whereas the one I have sent to the desk is only 15 percent. But you do not need to be a mathematician to realize that after you take the 20 percent out, and you take 20 percent of 80 percent, then you are getting down to 16 percent. So, essentially, there is some smoke and mirrors going on there.

Second, they say: OK, let's redefine how you can meet that requirement, that 16 percent requirement, which is what it, in fact, is. They say: You can meet it by using any of the renewable sources the Bingaman amendment allows for; and that is, biomass, solar,

wind, geothermal, tidal energy. Those are all options. In addition, if you want to build another nuclear plant, that counts. If you want to improve energy efficiency, that counts. If you want to adopt some demand response programs to reduce demand, that counts against your requirement. If you want to use the capture and storage technology, that counts. The Secretary is given authority to identify other things that could count, too, which are unspecified in the bill.

So, essentially, what you wind up—and then the final thing it does with our amendment is it says: If you are a State that has some kind of program, and you think it is pursuing the same—I will read the exact language. It says:

If the governor of a State submits to the Secretary a notification that the State has in effect and is enforcing a State portfolio standard that substantially contributes to the overall goals of the Federal clean portfolio standard under this section, then the State may elect not to participate in the Federal program.

So, essentially, it is an invitation to States to adopt something and then opt out, which I think undermines what we are trying to accomplish.

Essentially, the way I read the amendment by my colleague, his second-degree amendment would basically say: Let's put together this complicated trading system to keep track of what utilities are doing, but, in fact, it is designed essentially to mirror what they are already planning to do at any rate. It doesn't require them to do anything different.

The amendment I have sent to the desk does require them to do some things differently. They are going to have to actually start either producing energy from renewable sources, buying energy that has been produced from renewable sources by someone else, buying credits from someone else who has produced more renewable energy than they, in fact, needed, or pay a compliance fee to the Secretary of Energy. So we have some real teeth in our provision.

Now, it is not as strong as some Senators would like. I know my colleague, who is about to speak, will speak to that issue, and I know Senator KERRY from Massachusetts feels very strongly that this is not a strong enough requirement that I have suggested. But I would suggest to anyone who is studying these issues, the proposal I have made is a vastly stronger proposal than the one that my colleague, Senator DOMENICI, has proposed as an alternative.

I urge my colleagues to study both amendments tonight and perhaps tomorrow we can get a vote on both amendments. Also, I know Senator KERRY would like an opportunity to propose that we have even a stronger standard. I think he should be given that opportunity.

Mr. President, I ask unanimous consent that three letters—one from Constellation Energy, one from a large

group of environmental organizations, and then another one from a separate group of environmental organizations—be printed in the RECORD.

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

CONSTELLATION ENERGY,  
Baltimore, MD, June 13, 2007.

Senator JEFF BINGAMAN,

Chairman, Senate Energy and Natural Resources Committee, Hart Building, Washington, DC.

DEAR CHAIRMAN BINGAMAN: Constellation Energy is a Fortune 200 competitive energy company based in Baltimore, Maryland. We are the nation's leading supplier of competitive electricity to large commercial and industrial customers and one of the largest wholesales power sellers. We serve approximately 57,000 megawatts of load on a daily basis, which is equal to the amount of electricity consumed by the State of California daily. Additionally, we are one of the largest renewable energy credit suppliers in the northeast.

We believe that it is time to enact a nationwide, market-based renewable portfolio standard and we support your efforts to amend S. 1419, with your RPS amendment mandating a 15% standard by 2020. As you know, the State of Maryland also has a renewable portfolio standard, which we supported. That law also takes into account a market-based mechanism to achieve its objectives. In addition to generating or purchasing renewable energy in Maryland, electricity providers have the option of complying with the standard by making Alternative Compliance payments (ACP). The Maryland law directs ACPS to be paid into the Maryland Renewable Energy Fund, the purpose of which is, "to encourage the development of resources to generate renewable energy in the State." The Maryland law goes on to say that, "... the Fund may be used only to make loans and grants to support the creation of new . . . renewable sources in the State."

We are somewhat concerned that your amendment may create a situation where electricity providers and, by proxy, our customers, may end up paying duplicatively for a separate federal and state program because of uncertainty regarding your definition of, "direct associations with the generation or purchase of renewable energy".

We think this issue should be surmountable and would like to work with you on this concern as your provision moves through the legislative process.

Finally, we appreciate your long standing support of nuclear power and want to continue our efforts to bring the next generation of nuclear power plants to this country.

Sincerely,

PAUL J. ALLEN,  
Senior Vice President, Corporate Affairs,  
Constellation Energy Group.

JUNE 13, 2007.

VOTE YES ON THE BINGAMAN RENEWABLE PORTFOLIO STANDARD, VOTE NO ON THE DOMENICI CLEAN PORTFOLIO STANDARD

DEAR SENATOR: On behalf of our members and supporters nationwide, we urge you to support the amendment by Senator Bingaman to create a national Renewable Portfolio Standard (RPS) in energy security legislation now being considered on the Senate floor. Adopting a RPS would enhance national energy security by diversifying our sources of electricity generation and would also have substantial environmental benefits, such as reducing the emissions of greenhouse gases.

We urge you to oppose the "Clean Portfolio Standard" amendment by Senator Domenici that allows new hydropower to qualify as new renewable energy under a RPS. Existing hydropower generation comprises about 7% of the nation's net electricity production. The RPS should be reserved for emerging technologies that need help to enter the marketplace. Hydropower, a mature technology that has not advanced significantly since the 19th century. Allowing new hydropower into a RPS would usher in a new era of dam building, destroying our nation's last remaining free-flowing rivers and encourage developers to retrofit existing dams, many of which have significant environmental impacts or pose a threat to public safety.

While hydropower is an important source of energy, this energy comes at a great cost to the health of our nation's rivers and communities. Many hydropower plants pipe water around entire sections of river leaving them dry, or worse, constantly alternating between drought and floodlike conditions. Hydropower turbines can chop fish into pieces, and can even change the temperature and basic chemistry of the water, harming fish and wildlife. Hydropower's impacts have even caused the extinction of entire species.

We urge you to support the Bingaman Renewable Portfolio Standard and oppose the Domenici Clean Portfolio Standard.

Sincerely,

American River, American Whitewater, Appalachian Mountain Club, California Outdoors, California Sportfishing Protection Alliance, California Trout, Catawba-Wateree Relicensing Coalition, Coastal Conservation League, Columbia Riverkeeper, Connecticut River Watershed Council.

Central Sierra Environmental Resource Center, Foothill Conservancy, Foothills Water Network, Friends of Butte Creek, Friends of Living Oregon Waters, Friends of the Crooked River, Friends of the River, Georgia River Network, Hydropower Reform Coalition, Idaho Rivers United.

Michigan Hydro Relicensing Coalition, Missouri Coalition for the Environment, New England FLOW, New York Rivers United, Northwest Resource Information Center, Northwest Sportfishing Industry Association, Oregon Wild, Republicans for Environmental Protection, River Alliance of Wisconsin, San Juan Citizens Alliance.

Save Our Wild Salmon Coalition, The Lands Council, Trout Unlimited, Upper Chattahoochee Riverkeeper, Utah Rivers Council, Vermont Natural Resources Council, Washington Kayak Club, West Virginia Rivers Coalition, Western Carolina Paddler.

JUNE 13, 2007.

DEAR SENATOR: On behalf of the undersigned organizations, we urge you to support the Renewable Electricity Standard (RES) to be offered by Senator Bingaman.

The Bingaman RES amendment would require utilities to obtain at least 15 percent of their electricity from clean renewable energy sources by 2020. A recent analysis by the Union Concerned Scientists found that the Bingaman amendment would save consumers \$16.7 billion on their energy bills, while reducing global warming emissions by the equivalent of taking 41 million cars off the road. The standard will diversify our energy supply with American-grown energy resources create thousands of good new jobs, and generate millions of dollars for farmers, ranchers, and local communities.

We urge you to oppose the Domenici amendment.

The Domenici amendment would severely curtail our ability to deploy clean renewable resources and stall investment in a clean renewable future. Because it includes non-renewables, coupled with huge state and federal waivers, the Domenici amendment

would fail to guarantee any of the benefits for consumers, large energy users, and farmers and ranchers contained in the Bingaman amendment.

For example, the Domenici amendment would:

Waive requirements for state to participate in the program if the governor found state programs to be “substantially contributing to the overall goal.” This vague language could stifle investment in renewables and cripple the federal trading program that assures the lowest possible cost for renewable energy.

Weaken renewable requirements by including non-renewables such as nuclear power. These provisions would subtract all existing nuclear generation from the utilities renewables requirement, give utilities credits for already-planned and economic capacity upgrades, provide a windfall for the poorest performing nuclear plants of the last 3 years, and give credits for building new nuclear power plants that are already heavily subsidized in the 2005 Energy bill. These nuclear bailouts and subsidies would reduce the potential contribution of new renewable energy from the Bingaman proposal.

Allow utilities to receive credits for “an inherently low-emission technology that captures and stores carbon” without defining what that technology might be or assuring how much, if any, of the carbon actually gets stored, or how permanent such storage is.

Allow DOE to designate “other clean energy sources” to qualify for clean energy credits without any restrictions on the Secretary.

Undercuts the development of new renewables by including all “new” hydropower. This would encourage new dam construction irrespective of the potential for significant environmental impacts these facilities can have. The Domenici amendment would reverse the compromise language in the Bingaman amendment that would permit “incremental” hydro power that encourages new hydropower generation while protecting natural resources.

Includes electricity savings from energy efficiency and demand-response programs, which will further erode the national energy security, diversity, economic, and environmental benefits of developing new renewable energy sources. While we support a separate standard for energy efficiency and demand-response, the Domenici amendment would create a zero sum game between efficiency and renewable energy by forcing them to compete under the same standard.

Overall, the combined effects of allowing nuclear, efficiency, demand-response, as well as new hydro, and other non renewable clean energy sources to qualify for the standard—without any restrictions—would greatly reduce, and potentially eliminate, the development of new renewable energy sources and the corresponding economic and environmental benefits.

We urge you to support the strong Bingaman RES amendment and oppose weakening amendment such as the Domenici amendment, as it would take us backwards, not forwards on energy policy.

Sincerely,

EarthJustice, Environmental Law and Policy Center, Greenpeace, National Audubon Society, National Environmental Trust, Natural Resource Defense Council, Sierra Club, Southern Alliance for Clean Energy, Union of Concerned Scientists, U.S. Public Interest Research Group, Western Organization of Resource Councils.

#### MORNING BUSINESS

Mr. BINGAMAN. Mr. President, at this point I ask unanimous consent

that the Senate now be in a period for the transaction of morning business with Senators permitted to speak therein for up to 10 minutes.

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

The Senator from Vermont is recognized.

#### ENERGY

Mr. SANDERS. Mr. President, let me thank Senator BINGAMAN for his leadership efforts in addressing one of the major crises facing our country. I thank Senator DOMENICI as well.

As Senator BINGAMAN just indicated, I would go further than he is going in his proposal. I think he has made an important step forward, but I think given the gravity of the situation we face, it is imperative for the future not only of our country but for the future of our planet that we seize this moment and we be bold and we be aggressive because if we are not, what the scientific community is telling us is that the results could be catastrophic.

When thousands of scientists from the Intergovernmental Panel on Climate Change tell us with 100 percent certainty that global warming is real, and with 90 percent certainty that it is manmade, we should listen. When these scientists tell us that today, in terms of the melting of glaciers and permafrost, in terms of the increase in drought around the world, the increase of forest fires we are seeing in the United States, in terms of the loss of drinking water and farmland all over the world today, it would be absolutely irresponsible not only for us but for future generations if we did not stand up and say we are going to do everything we can to lower greenhouse gas emissions and reverse global warming.

I have introduced legislation—which the Presiding Officer is one of the co-sponsors of and was introduced with Senator BOXER—which, in fact, would lower greenhouse gas emissions by 80 percent less than where they were in 1990. I think that is the type of aggressive effort that we need. If Senator KERRY offers his amendment to make sure 20 percent of the electricity we produce in this country comes from renewables, I will strongly support that legislation. Fifteen percent, as Senator BINGAMAN has proposed, is a good step forward, but it does not go far enough.

The bad news is that as a nation, we are lagging far behind the rest of the world, or many countries in the world, in going forward in terms of energy efficiency and sustainable energy. The bad news is that today in America, in terms of transportation, we are driving vehicles which, if you can believe it, get worse mileage per gallon than was the case 20 years ago. Meanwhile, several weeks ago, I was in a car which was a retrofitted Toyota Prius which gets 150 miles per gallon. Yet, as a nation, on average we are driving vehicles which get worse mileage per gallon than we had 20 years ago.

All over our country, we are lacking in public transportation. In Europe, in Japan, in China, their rail systems are far more sophisticated and advanced than we are. Our roadways, from Vermont to California, are clogged with cars, many of them getting poor mileage per gallon. Yet we are not investing and creating jobs in mass transportation. But it is not only transportation that we are lacking in, studies have indicated that if we make our own homes more energy efficient, we can save substantial amounts of energy.

Some estimates are, if we do the right things, we could cut our energy expenditures by 40 percent—40 percent. Yet there are millions of homes in this country inhabited by lower income people who don’t have the money to adequately insulate their homes, put in the kind of roofs they need, the kind of windows they need, and we are literally seeing energy go right out of the doors and the windows because we are not adequately funding weatherization. But it is not just lower income people. Many middle-class families are also in homes that are inadequately weatherized, inadequately insulated.

One of the things I have long believed as I have studied this issue of global warming is that not only do we have the moral imperative to reduce greenhouse gas emissions significantly so that we can reverse global warming, but in that process we can seize this crisis, respond to this crisis, and create some very golden opportunities in terms of creating good-paying jobs. If you look at those areas in the world where they have moved most effectively in terms of reducing greenhouse gas emissions, such as Germany, many countries in Europe, and our own State of California, the result has been, yes, there has been economic dislocation, but at the end of the day, they have created a lot more jobs than they have lost.

I have worked with groups such as the Apollo Project, which is a group that brings together labor organizations as well as environmentalists, that say: How do we move toward lowering greenhouse gas emissions and creating good-paying jobs? The opportunities are sitting right in front of us.

Detroit has lost billions and billions of dollars year after year by building cars that many Americans no longer want. Maybe if we move toward energy-efficient cars, people might start buying those cars, and instead of laying off workers, maybe we can create more jobs. Think of the jobs we can create as we build a rail system that we are proud of. As cities like Chicago and New York and other cities rebuild their antiquated subway systems, we can create jobs doing that.

We can create jobs all over this country in terms of energy efficiency. As we move toward biofuels, I can tell my colleagues that in my State of Vermont, our small family farmers are struggling very hard to stay on the