

The United States took a lot of flak from countries for our not signing Kyoto, but I am pleased the Bush administration has been moving forward with some new initiatives. And while we didn't sign Kyoto, we do have a base of international activities to build on, and one of them could provide the basis for becoming a multinational effort, giving all countries a vested interest in technology advancement and deployment.

The thing we have to remember is that, above all, the developing world desires sustained economic growth. Slowing down economic development to address climate change is not an option they are willing to pursue, and we cannot force it upon them. If we are going to be successful in addressing the challenge of climate change, we have to set a realistic vision for the developing world, using what Richard Armitage and Joseph Nye referred to as smart power. When they testified before the Senate Foreign Relations Committee on April 24, 2008, they argued that the world:

... looks to the U.S. to put forward better ideas rather than just walk away from the table.

This was the perception after Kyoto, and it could be the perception again today if we do not find a way to engage the developing world.

They go on to say:

The United States needs to rediscover how to be a smart power, which matches vision with execution and accountability, and looks broadly at U.S. goals, strategies, and influence in a changing world.

And they rightly conclude that our:

... challenges can only be addressed with capable and willing allies and partners.

Without willing partners in China and India, we cannot be successful in addressing climate change. Technologies development and promotion should drive our national climate policy. It is the only rational path forward. It is the only way to deal with emissions from rapidly expanding coal-based economies such as China and India, that readily admit they have no intention of accepting binding emission targets.

The public interest and private sector communities agree that the crucial factor that will determine whether we have an effective climate policy is the extent that policy will encourage the development and deployment of needed technology. Regulation without sufficiently available technology will result in high cost for American consumers while offering little hope that developing nations will answer the call to reduce their emissions.

In conclusion, I agree that we need to act quickly to address climate change, but we must be smart about how we proceed. I am hoping after this year's debate, we can come together—come together—on a bipartisan basis, to draft a bill that doesn't impose unilateral actions that hurt our economy and drive jobs overseas but rather jumpstarts technology, engages our inter-

national partners through collaborative multinational efforts to develop and deploy the clean energy technologies that everyone recognizes are necessary to solve this global environmental problem.

I appreciate the Chair giving me an extra minute.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Senator from Florida.

HIGH COST OF ENERGY

Mr. NELSON of Florida. Mr. President, I wanted Sara Sanders to come over here and be on the floor while I am speaking, because this photograph is of her hometown, Madison, FL, in Madison County, which is in north Florida. If you examine this photograph of downtown Madison, here is the old courthouse, and across U.S. 90 is this Shell gasoline station.

This photograph is from a couple of days ago, and you can see that regular is \$4.09.9 a gallon, and premium is \$4.33.9 a gallon. This is certainly a record for Florida, and it is especially a record for the rural parts of Florida, which Madison County, part of north Florida, is a part of.

Last week, when we were in recess, I did 18 townhall meetings all over the State of Florida, and I can tell you our people are hurting. They are hurting because they are having difficulty making financial ends meet. Our people are hurting and are having difficulty making their paycheck go far enough. Our people, particularly those who have to drive long distances and don't have any alternative of mass transit to get to work, are having difficulty being able to afford getting to work. That is symbolized by this photograph of a couple of days ago in Madison, FL—\$4.10 for a gallon of regular gas.

Where is it going to go? Well, I wish to have you look at this particular chart. Now, this indicates to us what has happened to the price of gas over the last 8 years. In January of 2001, the price of gas was at \$1.47. Seven and one-half years later, the price at the end of May was \$3.94 a gallon. This is a national average. As that photograph reflected, it has exceeded, even in rural parts of America, \$4 a gallon.

It rocked along here at less than \$1.50 for a couple of years. Then, in 2003, it jumped above \$1.50 and started to gradually climb. Then, in 2005, it spiked up right after Katrina. As a matter of fact, overnight, when Katrina hit, it went from about \$2.65 to up over \$3. It gyrated back and forth, exceeding that \$3 limit, and look what has happened in the last month or 2 months. It has gone from less than \$3 a gallon all the way up to \$4 a gallon.

There is something that is going on, and people are sick and tired because they are frustrated they can't afford this. By the way, Florida is a microcosm of America. A lot of America has moved to Florida and, therefore, when

you look at a representative sampling of this country, our State is a microcosm. And having been all over the State for all of these townhall meetings this past week, I can tell you that people's frustrations are turning to anger. They do not know what to do, but they want their Government to act.

Now, what do we do? Well, I must say it is very interesting that we hear coming from parts of the energy sector the same old story: We have to drill more. If you could drill more and you could get it to market immediately, that would certainly bring some relief. But when that is said, the full story isn't told. Because when the oil companies say they want to drill more, and that supply and demand will take care of the problem, what they fail to say—and they fail purposely to say this—is that there are 33 million acres under lease that are submerged lands—33 million acres—of which they haven't drilled. It is there. They have not drilled.

Of course, a side issue here is the constant pressure to come in and drill off of our coast, off of the east coast of the United States and off of the west coast. But there are 33 million acres under lease, submerged, that are already available. Plus, there are another 34 million acres that are either owned or leased on lands that have not been drilled. Now, you don't hear that, but that is a fact. Of those 33 million acres that are submerged, and that are under lease and ready to be drilled, or to go through the process of leasing, they ignore the fact that we worked out a compromise 2 or 3 years ago where we would add an additional 8.3 million acres of submerged lands in the Gulf of Mexico that could be leased. We kept that away from the military training area, which is most of the Gulf of Mexico off of the State of Florida.

All that submerged land is there for drilling, but of course we hear the same old refrain from over the years: Well, let's drill. Let's drill our way out of the problem. The fact is that is a red herring to get us off of the ultimate solution to this problem. The answer is not just drill, the answer is alternative energy sources.

Now, let me put it another way. The United States has only 3 percent of the world's oil reserves, but the United States consumes 25 percent of the world's oil production. If you only have 3 percent of the world's oil reserves but you are consuming every day 25 percent of the world's oil production, doesn't that suggest to you that you can't drill your way out of the problem; that you ought to be looking to different solutions?

I am going to suggest a few. But first I want to go back in history. What has happened in America? First, we had a wake-up call. Remember, it was back in the early 1970s. The OPEC cartel was formed and they decided to have an oil embargo, and so the price of oil jumped per barrel something like from the \$2 or \$3 a barrel price to suddenly \$10 and

a little more, and the long gas lines occurred. There was world oil panic and we vowed we were going to do something about it. As a matter of fact, the President of the United States at the time said, We are going to make ourselves energy independent.

Well, here we are, 3½ decades later, and it is not the United States that is energy independent, it is Brazil that is energy independent. In those early 1970s, after that scare, when we vowed we were going to do something about it, we went back to sleep. Then in the late 1970s, we had another wake-up call. This wake-up call was the Iranian hostage crisis. Remember how the oil markets got jittery and we started having the long lines at the gas stations again, and we said, We are going to do something about this energy independence on foreign oil? Then what happened? We collectively, as a nation, went back to sleep.

Cheap oil was part of the problem. It seduced us, even though that cheap oil was continuing to get a little more expensive. So, then, we get up to the end of the decade of the 1980s and Saddam Hussein suddenly moves on Kuwait and takes over another country and their oil fields. We had another crisis and oil spikes again. The Nation was in an energy crisis. Our foreign oil supplies were being threatened, and we make another vow that we are going to do something about it. And what happens? We allow ourselves to be lulled by the sweet dulcet tones of being reliant on a cheap energy source, even though it was getting higher and higher, and we go back to sleep.

Then we turn the century. Suddenly, we have September 11. Then we have Afghanistan. Then we have the Iraq war. All of those oil supplies in that region of the world are threatened and, suddenly, everyone is getting jittery. At the same time, China is emerging as an industrial power, and so is India. They are demanding more and more of the world's oil supplies and the supplies are getting tighter and tighter and the price starts going up and up. Still, on the Senate floor with my colleague, the senior Senator from California, as I have assisted her for the last 8 years, each year trying to increase miles per gallon in the fleet average of our automobiles, we are not able to get the votes to pass it. We allow ourselves to be lulled and lulled back to sleep.

Finally, because of the way this gas price spiked after Katrina to over \$3, finally we were able to marshal the political will so that we could change the miles per gallon, a modest change, to 35 miles per gallon from 25 miles per gallon—although that 25-miles-per-gallon standard set in the 1980s was illusory because light trucks and SUVs were exempt. We were able to get to a new standard to include all and a fleet average of 35 miles per gallon—but it would not be fully phased in, over the period of the next 12 years, until the date of 2020.

Before I offer some additional solutions, why has oil, as measured in gas prices, gone, in just a few months, from \$3 a gallon to over \$4 a gallon?

Is the President indicating that I do not have any further time, Mr. President? Is the Presiding Officer indicating I do not have any further time?

The ACTING PRESIDENT pro tempore. No. The Senator has spoken for 15 minutes. I was consulting with the Parliamentarian to see if there were limits. There were none.

Mr. NELSON of Florida. That was my understanding. Mr. President, does the Senator from California want to speak?

Mrs. FEINSTEIN. Through the Chair to the Senator from Florida, I am the first speaker on the global warming bill. Do what you need to do. I thank the Senator.

Mr. NELSON of Florida. I am having a good time doing it, too. I will wrap up within the next 5 or so minutes.

Why, then, other than what we have already talked about—the tightness of the world's oil market—why, in just the last couple of months, has it spiked from \$3 a gallon to over \$4 a gallon? Why, in Madison, FL, a rural part of Florida, 2 days ago, was regular gas at \$4.10?

Part of that reason, of course, is what we have talked about, the world tightness. Part of it is that the United States relies on oil from foreign shores for 60 percent of its daily consumption of oil from places such as the Persian Gulf and Nigeria and Venezuela—the Persian Gulf, roughly 20 percent of our oil supply; Nigeria, 12 percent of our daily supply; Venezuela, 14 percent of our daily supply. I have just mentioned three very unstable parts of the world. That is part of the skittishness of this world oil market. But there have to be additional reasons.

How about the weakness of the dollar? You know what we could do about that? Here is a solution. We could start bringing our budget back into balance instead of going out where spending is here but revenues are only here and the difference each year we have to borrow. Guess whom we are borrowing from—China and Japan. They are buying our debt in order for us to meet our expenditures. If we bring that budget back into balance, we can start strengthening our dollar, which will help us in this overall global market of oil since oil is sold in U.S. dollars.

But I think the biggest part of this spike is that we have world oil markets that are buying futures contracts, and the speculators are speculating up the price as they bid up the price, and they are not having to put down a substantial amount of money. They are only putting down about 6 percent of the total oil contract, so 94 percent they are basically getting on future credit, and that means they can bid up that price.

The question is, Are we going to get in and start checking out these commodities exchanges? Are we going to

get a Commodity Futures Trading Commission that will crack the whip, that will examine this speculation driving up the price?

We passed a part 2 weeks ago in the farm bill that is now law that will close that Enron loophole that occurred in the year 2000, that exempted Enron and others from oversight in the trading markets for energy. That certainly has allowed that speculation to go on. We got a little victory there, on the Commodity Futures Trading Commission.

The bottom line is, if we are going to solve this problem we have to have the political will. This Senator will be speaking about the Lieberman-Warner bill later on, but there is all kinds of inflammatory rhetoric about how this is going to jack up the price of gasoline and of oil.

But the fundamental problem is we have to have the political will to start going to alternative sources in order to break the stranglehold of dependence on oil and particularly foreign oil. That means we are going to have to go to alternative sources such as biofuels. We are going to have to pour the money into research and development on cellulosic ethanol. Ethanol, of course, we can mix in our existing cars with gasoline, and that yields much less consumption of oil.

In the new vehicles, the new cars, you can take 85 percent of ethanol and mix it with 15 percent of gasoline. Just think how much less is the use of oil. Or you put all of that mixture—85 ethanol, 15 gasoline—into a hybrid, and what about a plug-in hybrid? Suddenly you have expanded your equivalent miles per gallon of oil consumed to upwards of several hundreds of miles. We have the technology to do this. The question is, Do we have the political will? That is what I bring us back around to.

There is a lot of inflammatory rhetoric about how, if you try this new thing or you try that new thing—don't do it. Go back on the old, reliable oil. I have seen frustration grow into anger out there as I faced my constituents and tried to give them hope this past week in those 18 townhall meetings. They need hope. We need to help provide that hope.

The next President of the United States needs to help provide that hope. I want to be a part of that solution, to provide that hope. This Senator is going to continue to speak out against those voices that would say: No, no, just do it the same old way.

It is time for change. It is time for bold ideas. It is time for research and development. It is time to take the competitive genius of America, this Yankee ingenuity, our ability to create, our ability in our technological prowess—it is time to utilize all of those assets and to break through to a new beginning.

I yield the floor.

The ACTING PRESIDENT pro tempore. There is 7 minutes remaining in

morning business. The Senator from California.

Mrs. FEINSTEIN. If I may, it is my understanding there is an agreement that I would be the first speaker on global warming. I have about 21 minutes. I could use 7 of them now. If the Senator from Oklahoma—I see him on the Senate floor—if he would prefer some time in morning business, I am prepared to yield to him, and then if I could be recognized as soon as we go to the bill?

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. INHOFE. I think we are working on a unanimous consent request right now. Why don't you go ahead and use the remaining time in morning business, and then you will be the first speaker to use the remaining of that 21 minutes or whatever you want, and that 14 minutes will come out of the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I am going to yield back the morning business time so we can go to the bill and I will be able to speak without interruption.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Without objection, morning business is closed.

CLIMATE SECURITY ACT OF 2008— MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3036, which the clerk will report.

The legislative clerk read as follows:

Motion to proceed to S. 3036, a bill to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, and for other purposes.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent the order of speakers after morning business, prior to the recess for caucus luncheons, be as follows: Senator FEINSTEIN for up to 20 minutes, ISAKSON for up to 15 minutes, CORKER for up to 20 minutes, SPECTER for up to 15 minutes; KERRY for up to 20 minutes.

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

Mrs. FEINSTEIN. Mr. President, I rise today to speak in favor of the climate change legislation sponsored by Senators JOE LIEBERMAN and JOHN WARNER and the managers' substitute amendment offered by my friend and colleague, Senator BARBARA BOXER.

I congratulate all three of them. This is not an easy road. I want particularly to thank the chairman of the committee for her work. She has been

open, she has been consultative, she has asked to meet with Members, she has asked for Members' participation in the work. She has been both strong and solid in her leadership.

After years of debating about the science underlying the warming of our planet, today marks a momentous step because for the first time we are considering comprehensive legislation to address global warming in a comprehensive manner. I believe the time has come for the Senate to pass legislation to tackle this problem.

The bill represents the most comprehensive opportunity we have in this Congress to help curb our carbon footprint and take meaningful action to prevent catastrophic climate change—and nobody should disbelieve that is coming. The fact is this: Global warming is happening. It has already begun to inflict changes on the world as we know it. If you read the newspapers, if you watch television, or if you simply take a look around, it is undeniable. Just look at weather patterns. More destructive and deadly storms, such as the cyclone that hit Burma and the tornadoes that have devastated parts of the Midwest, are happening. Species are beginning to disappear. The Fish and Wildlife Service has just announced that the polar bear has been placed on the endangered species list because of global warming.

Its habitat is literally melting away. Polar icecaps are melting. The Northwest Passage was navigable for the first time last summer. The Arctic Circle could be ice free by 2030. The West is running out of water. Scientists at UC San Diego believe there is a 50–50 chance that Lake Mead, a key source of water for 8 million people in the Southwestern United States, will be dry by 2021, if the climate changes, as expected, and its use is not curtailed. Projections suggest that both Antarctica and Greenland could melt at the same time. If that were to happen, the seas would rise by 20 feet. So we are feeling the effects of warmer weather. Five out of the past 5 years and 19 out of the last 20 have been the warmest on record.

The Western United States is receiving the brunt of warming. This is because the West's average temperature is 70 percent greater than the planet as a whole. So the Earth's temperature has warmed 1 degree over the past century, but it has warmed 1.7 degrees in the 11-State Western region, and it is only getting warmer. Take a look at this map.

Here is why. Carbon dioxide doesn't dissipate in the atmosphere. It remains for 30, 40, 50, 100 years. The atmosphere is a shell around the Earth, and carbon dioxide has been growing since the Industrial Revolution in this atmosphere. So the question becomes, how much will the Earth warm? This very question is at the heart of why we need climate change legislation, because scientists tell us we can make a difference to impact how much the Earth will

warm. We can't stop warming, but we can slow it down. But if we are to do even that, we have to act soon and decisively. I truly don't believe there is a minute to waste.

To stabilize the climate and to prevent catastrophic warming, scientists say we need to begin by reducing emissions by 65 to 80 percent below 1990 levels—that is 65 to 80 percent below what we have put into the atmosphere in 1990—and do all this by the middle of the century. That translates into a goal of 1,450 parts per million of carbon dioxide in the atmosphere. Vice President Al Gore told me recently there is some new science out that we actually may need to limit carbon emissions to 350 parts per million, which is even stronger. There is new science out that shows the Earth is warming even faster than was originally predicted. We need to contain the warming to 1 to 2 degrees. We will still experience significant but manageable changes, but if we fail to act, the Earth's temperature could rise 5 to 9 degrees or more. Those results are catastrophic and irreversible.

I tell constituent breakfasts about the Earth. Most people believe the Earth can't change. But, in fact, planets do change. Look at Mars, look at the Earth 250 million years ago, when there was one mass on Earth only. The Earth is subject to change. That change can be dramatic, and warming affects that change. This is a gamble we cannot afford to take. The truth is, though, there is no silver bullet. There is no one thing that will turn the tide. We need to go clean and green in driving, in heating, in cooling, in building, and fueling. We need to move away from fossil fuels. We need the Lieberman-Warner legislation.

By 2050, this bill would reduce emissions by 63 percent below 2005 levels or 57 percent below 1990 levels. So the legislation sets us on the path toward meaningful greenhouse gas reductions. It does so in a way that encourages innovation and makes the investment in cleaner energy and green practices across the entire economy. Importantly, it also includes important provisions to keep our economy strong. The bottom line: This legislation is a major step in the right direction. It is the most significant thing we can do right now to help prevent catastrophic climate change.

Let me take a few moments to talk about what the bill does. There are two ways to deal with this. One is a carbon tax. Most scientists want the carbon tax, but most people believe a new tax is not going to happen. The other alternative is a cap-and-trade system, much as Europe has been doing and much as the Northeastern States have been doing to deal with acid rain. They have reversed acid rain by 45 percent through their cap-and-trade system. This legislation establishes a cap-and-trade system for roughly 86 percent of the economy. It includes the electricity sector, manufacturing, transportation, and natural gas. It would be