

in analyzing this decision is very limited. The GAO can only look at whether the Pentagon followed the letter of the law and regulations that govern the Federal procurement process. It cannot consider the real-world concerns of Congress and the American people. That is our job. The GAO cannot address whether the military made the right decision for our servicemembers. That is our job. That is why Congress has to get involved. It is our job to demand that we get answers to those questions before we go any further with this contract. Congress—us—we, the people—have to ask whether this contract will leave our servicemembers unprotected when they fly a plane. Congress has to ask whether Airbus's plane will cost too much to all of us: to our taxpayers, in military construction, in fuel, in maintenance—serious questions that are our responsibility. Congress has to ask whether our workers and our national economy will suffer if we outsource this major aerospace contract. Finally, Congress—us—all of us—need to decide whether this contract will put our national security at risk. The GAO can't do that. That is our job.

This is a major decision. We are talking about a contract that will cost at least \$35 billion and could cost the taxpayers more than \$100 billion over the life of these planes in purchasing costs alone. Yet the Pentagon hasn't made a case for why they would choose to buy the Airbus plane. "I don't know" is not an acceptable response when you are talking about billions of taxpayer dollars and the safety of our servicemembers who fly these planes.

We deserve answers. Our taxpayers deserve answers. Our servicemembers deserve answers. I hope our colleagues will stand with me and others and demand that the Defense Department justify this decision.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

#### CLIMATE CHANGE

Mr. THUNE. Mr. President, as the American public observes and listens to the debate on climate change and global warming, I think there are probably three fundamental questions everybody wants answered. The first question is an obvious one, and that is: Is climate change occurring? Is global warming a fact and a reality that we need to deal with? I think you have to assume the answer to that question is yes. There are changes going on in our climate, on our planet, some of which we can explain and some of which we cannot explain.

Honestly, I will use South Dakota as a case in point. We have experienced—probably for the last decade—successive and continuous years of drought. Yet, this year, in May, we had the wettest year in western South Dakota—in Rapid City—ever since they started keeping historical records. So there are

changes that occur that have to be viewed in the context of time—not just a decade period but a hundred- or thousand-year period—to determine what are the causes of the changes we are seeing in the climate. We had, in South Dakota, the coldest April this year we have had historically, going back 50 to 100 years, and blizzards into the month of May. So there are a lot of changes that are going on, some of which I think can be explained and some of which cannot be explained. We need to look at them in the broader context of what has happened over a long period of time with respect to our climate.

The second question the American people would ask is this: If, in fact, climate change is occurring—and we assume the answer to that is yes—is human activity contributing to that? If we, again, assume the answer to this question is yes, then we have to get to the next question. I think, frankly, I would answer, if we look at the question of whether human activity is contributing to that, we cannot put our heads in the sand. Obviously, changes are occurring. We assume that the presence of humanity on this planet and some of the things we are emitting into the atmosphere are creating changes. I think we need to acknowledge that.

That leads to the next question that I think has become the focus of the debate in the Senate, and that is this question: If the answer to question No. 1 is yes, it is occurring, and 2, it is occurring at least on some level—and we don't know how to quantify that because of human activity—what are we going to do about it and at what cost? That is really the focal point of the debate in the Senate today.

In my view, there are many problems associated with the bill currently under consideration on the floor of the Senate. First off, it provides a minimal environmental benefit since it is a unilateral solution. China has exceeded us in terms of CO<sub>2</sub> emissions. It will not get them to stop their CO<sub>2</sub> emissions because the United States chooses to implement a cap-and-trade program. So you don't gain environmental benefit. In fact, it could likely have some profound and devastating impacts on our economy.

With regard to the first point about the other polluting countries around the world, this was said recently by President Clinton with regard to the Kyoto protocol. He said that 170 countries signed the treaty, and only 6 out of 170 reduced their greenhouse gases to the 1990 level, and only 6 will do so by 2012 at the deadline.

These countries signed a binding agreement, and yet they are doing really nothing to get back to the goal or targets called for in that protocol.

The Wall Street Journal recently reported that the European Union, which began to operate its cap-and-trade system in 2005, has actually seen carbon dioxide emissions rise by 1 percent per year since that time. Interestingly

enough, in the United States, since that same time when Europe implemented their cap-and-trade system, carbon dioxide emissions have actually declined by about 1 percent.

I guess the bigger question here to this last question is, if this is occurring, what do we do about it and at what cost? We have to think long and hard about that in light of some of the things that are occurring in the country. We have \$3.99 gasoline and \$4.67 diesel. We have had devastating impacts on the economy in the United States as a result of our dependence upon foreign sources of energy. We need to lessen that dependence and look for technologies that will clean up our environment. Imposing an onerous, burdensome system from the top in which we impose a big tax burden on literally every American, because with \$3.99 gasoline and all the studies done by the Energy Information Agency—11 studies have been done, all of which have concluded that they will increase gas prices substantially and electricity prices substantially. We have to take a hard look at what the impact will be on our economy.

I understand the time for morning business is going to expire. I would like to address some of those impacts as this debate on the climate change legislation gets underway. If I could wrap up morning business, I would like to continue with the debate on the climate change legislation, if that would be in order.

The PRESIDING OFFICER. The Senator from South Dakota may continue.

Mr. THUNE. Mr. President, I want to start with, regarding these economic impacts, looking generally at the economy.

In the fourth quarter of last year, the economy grew at six-tenths of 1 percent, and in the first quarter of this year it grew at nine-tenths of 1 percent. Some analysts and elected officials are looking at the record-high energy prices, the crisis in the financial services and housing markets, and the recent job losses as signs that we are already in a recession. In the last few weeks, we have seen oil traded at \$130 a barrel, which has caused the price of virtually all consumer goods in this country to increase. However, after months of debating high energy prices and a sluggish economy, we are now debating a bill that would actually raise energy prices and slow economic growth. I don't blame my constituents when they wonder how Washington works and complain that Congress seems to be out of touch with their everyday reality.

Over the Memorial Day weekend, millions of families were faced with record-high gas prices. As they planned their vacations to travel to see loved ones, they were met with average gasoline prices that hovered around \$4 per gallon.

I point out that as the economy has slowed down, high energy prices have gone up, and the impact it has had on

every American family—again, the EIA analyzed this bill on the floor today, and it would project gasoline prices to increase at 21 percent, or higher, in 2020 and 41 percent in the year 2030 under this proposal before us today. The Environmental Protection Agency also looked at the bill and concluded that gas prices would increase over 20 percent by 2030.

As we have debated this bill this week, there has been one particular impact that I think may have been overlooked in the legislation that has been drafted, and that is the impact on our Nation's domestic aviation sector.

Many of my colleagues and consumers in the country have witnessed firsthand in the first few months of this year that the domestic airlines are being crippled by the record price of aviation fuel, which will continue to rise in price under the cap-and-trade structure of this legislation. I will point out headlines of a few articles from yesterday and today: "Continental Airlines to cut 3,000 jobs and capacity"; "Summer airfares double, triple, quadruple"; "United to cut back service, eliminate jobs."

The U.S. airline industry recently sent a letter to all Senators in anticipation of the debate on this climate change legislation we have in front of us today. Here is what it says:

The proposed bill adds a significant additional increment to the cost of transportation fuel. Assuming that emissions allowances are modestly priced at \$25 per metric ton of carbon dioxide equivalents in 2012, when the bill would go into effect, this legislation would add another \$5 billion to U.S. airline fuel costs, escalating each year thereafter. Assuming a lower-end estimate in the prices in 2020, a \$40 per metric ton CO<sub>2</sub> price, the bill would impose a \$10 billion additional fuel tax on the U.S. airlines, again escalating annually thereafter. Such costs will result in further job losses, losses in air services to small communities, and negative economic effects.

I certainly agree we should all be doing more to promote cleaner forms of energy. But the legislation, as drafted, that we have before us today has significant ramifications that I think many individuals haven't fully considered.

I have been a strong supporter of renewable fuels that can be produced in the United States and used in automobiles to reduce our dangerous dependence upon foreign oil. These alternative fuels are not applicable to our Nation's aviation sector. Now, it would be one thing to require sectors of the economy to transition to cleaner forms of energy, but this legislation, as drafted, would have a significant cost on our domestic airlines, which are already being significantly impacted by the record cost of oil, by adding additional costs that will be passed on to the consumer, which, in my opinion, could result in not only fewer people traveling but could bankrupt U.S. air carriers, while at the same time not requiring foreign air carriers to be subject to the same taxes that will be passed along

under the cap-and-trade system that is envisioned in this legislation.

So one impact that I don't think has been entered in this debate as heavily as it should have been is the aviation sector of our economy, which is going through tumult and is experiencing economic hardship because of high fuel prices. This would complicate that further, and because they don't have access to using some of the cleaner fuels we are able to run through automobiles, it only worsens the situation they face. That is on top of what we are talking about today in terms of our headlines on job losses, capacity losses, airfares doubling, tripling, quadrupling, and cutbacks in service.

What do we do, then, in response to the question, If this is occurring—climate change—and if human activity is contributing to it, what do we do about it and at what cost? I think there are a lot of things we could and should be doing.

Honestly, irrespective of the answers to the first two questions, we should be making every effort we can to get emissions such as CO<sub>2</sub> out of our atmosphere. We ought to work as hard as we can to do that. Rather than creating a cumbersome new bureaucracy that would increase the price of gasoline, Congress ought to look to lowering gas prices through increased domestic production and refining capacity and investment in alternatives, such as biofuels.

With respect to electricity rates, again, according to the EIA, electricity prices are projected to increase up to 27 percent in 2020 and a 64-percent increase in electricity prices by 2030. Under the bill before us, average annual household energy bills, excluding transportation costs, would be \$325 higher in 2020 and \$123 higher in the year 2030.

I think there are some really good things that can be done and should be done. We need to start by investing in clean energy. I agree that we need to research and develop a new, reliable low-carbon energy source.

In South Dakota, we have examples of how that works. We are going to be producing a billion gallons of ethanol by the end of this year. New corn-based ethanol plants are producing ethanol with a 20-percent reduction in life-cycle greenhouse gas emissions relative to regular gasoline. In the coming years, we will be producing cellulosic ethanol that will reduce life-cycle greenhouse gas emissions by up to 80 percent. South Dakota also has an abundant source of wind, which is a zero-carbon-emitting source of energy.

A recent DOE study noted that the United States has the ability to meet 20 percent of its generation needs with wind by 2030. We can promote low-carbon energy without destroying jobs. We can do this without raising taxes, and we can do this without raising gasoline prices.

The climate change bill before the Senate puts the cart before the horse.

The bill enacts mandates on at least 2,000 entities, and then the Federal Government collects the revenue through annual allowance auctions, and then the Government invests in new technologies. Meanwhile, jobs are lost, our economic growth slows, and family budgets get squeezed. If we are willing to make a bipartisan commitment to research and development of new technologies today, carbon reductions, in the very near future, will be considerably less expensive.

In November of 2007, the Senate Commerce Committee held one of many hearings on clean coal technology, which will play a major role in the future of our Nation's energy portfolio. The nonprofit Electric Power Research Institute, which was represented at that hearing, identified the research and development pathways to demonstrate, by 2025, a full portfolio of economically attractive, commercial-scale, advanced coal power and integrated CCS technologies suitable for use with the broad range of coal types. If we make the commitment today to fund the research, finance the demonstration projects, and fund the loan guarantees first—if we do all those things first—reducing carbon emissions in the future will be far less costly to our economy.

Mr. President, my message to my colleagues is very simply that we need to develop the technology before enacting onerous Government mandates on virtually every single part of our economy. Higher gas prices, higher electricity rates, a shrinking GDP, job losses, and minimal environmental benefit is what will come about as a result of this legislation if enacted.

There is a better way. We ought to be doing everything we possibly can to get CO<sub>2</sub> emissions and other pollutants out of our atmosphere to address the concerns we have about our environment, to be good stewards, to pass on a better world to the next generation, but there is a way we can go about this that is incentive based, that gets away from the heavy-handed, onerous regulations imposed by this bill and the enormous cost that will be imposed on literally every sector of our economy and, most importantly, on the hard-working American families who will be faced with higher prices for gasoline, higher prices for electricity at a time when we should be desperately looking for ways to reduce those prices and to lessen the economic hardship that every family in this country is experiencing.

I hope my colleagues will vote no. I, too, have some amendments to offer to the bill if we get the opportunity to offer the amendments. My understanding is the amendment tree has been filled. That is unfortunate. This is a bill of enormous consequence to this country. Some have described it as the biggest reorganization of the Government since the 1930s. Given the complexities and the enormous impact this would have on Americans' everyday lives, we need to go about this in a way

that allows us to have open debate, offer amendments, and improve this bill.

I regret the fact that the Democratic leadership has decided to abandon that open process in exchange for filling the amendment tree and preventing us from having an open debate and considering amendments that actually would protect consumers from higher gas and energy prices that would be the result of this legislation.

If we get to an open process, I hope to have further debate and amendments we can consider.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

#### ORDER OF PROCEDURE

Mrs. BOXER. Mr. President, I ask unanimous consent that the time between 3 p.m. and 4 p.m. be under the control of Senator INHOFE or his designee, and that the order with respect to the farm bill be delayed until 4:10 p.m.

The PRESIDING OFFICER. Is there objection?

The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I don't object. For clarification purposes, the 1 hour we have is between what hours?

Mrs. BOXER. Mr. President, 3 and 4. Mr. INHOFE. And the Senator from California has between 2 and 3. Between now and 2 o'clock is equally divided.

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

Mrs. BOXER. That is the first part. I further ask unanimous consent that the time until 2 p.m. be equally divided—Senator INHOFE between 12 to 1 and Senator BOXER between 1 and 2?

The PRESIDING OFFICER. Is there objection?

Mr. INHOFE. Reserving the right to object, that wasn't quite my understanding. I thought we would have that 2-hour period equally divided but not necessarily—going back and forth would be my preference.

Mrs. BOXER. All right, I will say the time until 2 p.m. be equally divided between Senator INHOFE and myself.

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

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### CONSUMER-FIRST ENERGY ACT OF 2008—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3044, which the clerk will report.

The legislative clerk read as follows:

Motion to proceed to S. 3044, to provide energy price relief and hold oil companies and

other entities accountable for their actions with regard to high energy prices, and for other purposes.

Mr. INHOFE. I suggest the absence of a quorum and ask this time be charged to both sides.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

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. Madam President, I ask unanimous consent that Senator KLOBUCHAR be given 15 minutes to open the debate on our side.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota is recognized for 15 minutes.

Ms. KLOBUCHAR. Madam President, the issue we are addressing this week, global climate change, is a challenge with so many dimensions. Some are moral, some are economic, and some are scientific. I want to spend my first few minutes today talking about the science because we cannot get the policy right unless we get the science right.

I come from a State that believes in science. Minnesota is home to the Mayo Clinic and other great medical institutions. It helped launch the green revolution in agriculture half a century ago. Today it is home to a great research university in the University of Minnesota and high-tech companies such as 3M and Medtronic.

We have brought the world everything from the pacemaker to the Post-it notes. My State believes in science. Over the last few days, we have heard a great deal of debate about the science of climate change. I believe the debate should be over. The facts are in and the science is clear.

The Intergovernmental Panel on Climate Change has concluded that the evidence of global warming is now unequivocal and apparent on every continent of our planet. It is plain in erratic weather patterns, in shrinking wildlife habitat, and the melting of the permafrost.

Just last week, a new report commissioned by the U.S. Department of Agriculture and written by some of our top environmental researchers reached the same conclusion. They wrote:

There is robust scientific consensus that human-induced climate change is occurring. Observations show that climate change is impacting the nation's ecosystems in significant ways, and those alterations are very likely to accelerate in the future.

The result? Ocean levels are rising, glaciers are melting, and violent weather events are increasing—we have seen some recent ones in my State—and soon entire species will be threatened.

This is not just an environmental danger, it is also an economic danger.

First, we can see what we would predict as we see increases in temperatures in this world. The estimates are that temperatures will go up somewhere from 3 to 8 degrees in the next 100 years. To put it in perspective, it went up 1 degree in the last 100 years. We have already started seeing changes. That doesn't sound like a lot. It has only gone up 5 degrees since the height of the ice age. And the prediction from our EPA is 3 to 8 degrees.

Here we go when we look at the increasing of temperature: A 1-degree increase means increasing mortality from heat waves, floods, and droughts. This is predicted by 2020; a 2-degree increase, millions of people face flooding risk every year; a 3-degree increase, global food production decreases, and so on.

I can tell you in my State people are already seeing these changes. They have seen the economic impacts of these changes. Lake Superior is near its lowest level in the last 80 years, and that is an average. It goes up and down a little. It went up a little, fortunately, this year. But overall, we have seen decreasing levels so that overall it is at its lowest level in 80 years. That has impacted our barges, it has impacted the economy because we need more barges because they are sinking lower.

Why is that happening? The ice is melting quicker and so the water evaporates and we see lower levels in places such as Lake Superior.

We also have seen changes for our ski resorts. Overall, when we look at the trends, we have seen decreasing snow which means less money for them. Those are just some small examples of the economic costs of climate change.

We can see that the insured and uninsured costs of weather-related climate change events are going up and up, and we are all paying the price. A problem so serious demands a serious response.

This is a chart showing the weather-related economic losses and how they have increased. Look at the decades from 1960 to 1969, 1970 to 1979, 1980 to 1989, and then look at the last 10 years. These are economic losses. These are the amounts that are insured, and then this is the total of economic losses due to weather-related issues.

A problem so serious as this demands a serious response. I believe that as a Nation, we are up to it. Look at a little history. In the 1970s, after the first OPEC oil embargo caused world oil prices to quadruple, Congress passed the first CAFE standards, fuel economy standards for the Nation's cars and trucks. At first, the skeptics said Congress had overreached and the CAFE standards were unrealistic. Then business put its mind to the challenge. Auto companies developed more efficient engines and lighter automotive components, and they competed to meet customer demand for fuel-efficient cars.

Recently, the National Academy of Sciences estimated that those CAFE standards have now saved our country