

Beijing continues to undervalue its currency—as the Presiding Officer has said in the Finance Committee—by as much as 40 percent. Yet just last week, China's Ambassador to the World Trade Organization chastised the United States—chastised us, with whom they have a \$200 billion-plus trade surplus on their end—a deficit on ours—chastised the United States for the dollar's depreciation. In some ways, it is hard to argue with that, that our economic policies have caused this weaker dollar because of the Bush administration's wrong actions in some cases and inaction in others.

USTR has called China's counterfeit and piracy problems rampant, yet has done little to ensure compliance for American companies.

The fourth promise Secretary Paulson made in December 2006 about its focus on the Strategic Economic Dialogue was—his term—“Enhancing investment.”

This is one area the administration perhaps is addressing with the Bilateral Investment Treaty. I will give him one out of the first four.

Fifth, and finally, Secretary Paulson said, “Advancing joint opportunities for cooperation in energy and the environment.”

This Congress is weighing the merits of different climate change proposals, but one thing is certain: This Congress will pass legislation curbing carbon emissions. We need to do it in a way that ensures we do not just rely on Chinese imports that arrive in the United States without a carbon cost.

So, in other words, on four of the five, Secretary Paulson fell far short or simply did not even address it. Think what happens with our passing climate change if the Chinese do not pass any climate change and the Chinese do not strengthen their regulations on carbon emissions and other pollutants.

That means our factories—which have difficulty competing because of the cost of labor and all of that—our factories will have even more difficulty competing in Pennsylvania, Ohio, Michigan, and California and in all of the country because we will strengthen our environmental rules, as we should, we will reduce carbon emissions, as we should. The Chinese will benefit from that because they do not absorb the cost, they do not bear the cost of these kinds of environmental rules and regulations. So they get even more of a competitive advantage. What happens if a plant shuts down in Youngstown or shuts down in Steubenville or shuts down in Dayton and moves to China? Plants that were following decent emission standards move to China, and their carbon emissions are hardly regulated. So it means lost jobs for us. It means more pollution, more carbon emissions for the world from the People's Republic of China. It is another example of Secretary Paulson simply not addressing the issues that matter to our families, to our communities, to our workers, and to our country.

It is clear the Strategic Economic Dialogue has been lots of talk and no action. It is time for actions from the administration that benefit American workers, benefit American manufacturers, benefit American businesses, and protect consumers. It is time for a new direction in our trade policy with the People's Republic of China.

I thank the Presiding Officer and 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. SALAZAR. 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. SALAZAR. Madam President, I ask unanimous consent that I be permitted to speak as in morning business for as much time as I may consume.

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

The Senator from Colorado.

#### OIL SHALE AND GAS PRICES

Mr. SALAZAR. Madam President, I come to the floor this evening to speak a few minutes about the issue of oil shale and gas prices.

Earlier today, the President of the United States, George W. Bush, spoke to the Nation at a press conference in which he said there were some things we could do immediately to try to address the energy crisis we are facing in America. One of the things he said could be done immediately was to begin the development of oil shale in the West, specifically the oil shale which now exists and is found in my State of Colorado. With all due respect to the President of the United States, he is wrong. There is nothing about the oil locked up in these shales, in these rocks of western Colorado that will bring about the kind of relief we somehow hope to be able to bring about to the consumers of oil in our country.

The fact is, we are a long ways from knowing whether oil shale can be a part of the portfolio of fulfilling the energy needs of the United States of America. To be frank about this, oil shale has been looked at as a possible source for oil for now nearly 100 years. There have been many booms and many busts with respect to oil shale development in the West and in my State of Colorado. I feel particular ownership of this issue because of the fact that 80 percent of the oil shale reserves we know of in the United States of America are located in my State.

Oftentimes, what will happen is people will make a comparison to the tar sands of Alberta in Canada, and they will say: You have the same kinds of possibilities within the State of Colorado. Nothing is further from the truth. The tar sands, the oil sands in Canada, essentially, are developed simply by putting water and mixing it with the sands, with the temperature

being 200 to 300 degrees, and the oil is then separated from the sands. That is because of the way the hydrocarbons exist in those sands. They could be easily separated from those sands. Today, millions of barrels are flowing into the United States from that development in Alberta, led by companies such as Suncor.

In contrast, what we are talking about in my State of Colorado, across the great and most beautiful part of our Nation, the Western Slope of Colorado, is oil that is locked in shale. Notwithstanding the billions of dollars that have been spent on research, no one has yet found the key to unlock the oil from that shale. So to say somehow giving away hundreds of thousands of acres of land for this, where this oil shale is contained, and allowing that land to be leased for oil shale development and saying that is a panacea for the gas price problem we are facing today is simply wrong. It is not true. It is not doable.

In 2005, I worked very closely with my Republican chairman, whom I call a great friend. The two Senators from the land of enchantment, Senator DOMENICI and Senator BINGAMAN, have now changed places. One is chairman and one is ranking member. But in 2005, Senator DOMENICI was the chairman of the Senate Energy Committee. We worked very closely to come up in our committee with legislation on oil shale development that allowed us to move forward to examine the possibility of oil shale as one of the items in our portfolio for our energy future. We came up with an approach that said we would go ahead and provide research and development leases to oil companies so they could go out and do the kind of research and development that is needed to take place in order to determine whether oil shale can be developed. So there are now some leases that have been issued for research and development in the State of Colorado. For each of those companies that has been given these 160 acres of leased land for research and development, they also are given a right under the law to get an additional 5,000 acres of land they can lease. So that is over 25,000 acres that can be developed into oil shale if, in fact, we can discover the technology that will let us do that.

But let us not fool the world. Let's not fool the world in the way the world has been fooled since the 1920s about the possibility of oil shale. Let's not let oil shale be allowed to be used as a political tool, as the President and others try to address the gas crisis our country is in. The fact of the matter is we are a long way from being able to say oil shale can be developed in a commercial way for the United States of America, and the approach we developed out of our Senate Energy Committee and passed out of this Chamber in the 2005 Energy Policy Act is the

right way to go. It embraces a thoughtful and constructive way forward to determining whether we can, in fact, develop the oil that is currently locked up in the rock.

I am not the only one who is saying these things. Chevron, one of the major oil companies of the world, in its own statement to the programmatic environmental impact statement comments submitted to the BLM, said the following:

Chevron believes that a full scale commercial leasing program should not proceed at this time without clear demonstration of commercial technologies.

That is an oil company that obviously has the capacity and the expertise to know the reality of oil shale and is, frankly, being candid and honest and straightforward with the American people about the possibility of oil shale.

Next, I would also point to the statements we have heard from the Department of the Interior. A few months ago, we had a hearing in front of the Energy Committee where the Assistant Secretary of the Interior, Assistant Secretary Allred, appeared before the committee. I asked the Assistant Secretary a number of questions. I will quote, again, as I did last week, what I asked and what his answers were.

I asked Assistant Secretary Allred the following:

When I look at your chart on oil shale development on public lands, you have at some point on that chart this little brown dot that says "project completion: phase 3—commercial." When do you think that will happen? What year?

The Assistant Secretary Allred responds:

Senator, it is hard to predict that because . . .

And then there was silence. So I then asked:

2011?

He responded:

Oh, no, I think, I think . . .

Silence.

I asked again:

2016?

He says in response to that:

Probably in the latter half.

I say:

2015 and beyond? 2015 and beyond.

So I continued to question him along these lines.

The bottom line is that even within the Department of the Interior, at the highest levels, they are saying that if we ever get to commercial production of oil shale, it is probably out until 2015. That is 7 years from now. Don't tell me that is going to have any effect today on gas prices, and yet, it is one of the cornerstones of what the President of the United States proposed to be the solution to the energy crisis we face in America today.

I beg to differ with the President of the United States, and I will not let the President of the United States or the Department of the Interior run

roughshod over the State of Colorado. Not today, not next month, not next year, not in 10 years. It is not going to happen. We can develop oil shale in the State of Colorado, but if we are going to do it, we are going to do it in a thoughtful and deliberate way.

I am proud of the fact that the leading newspapers of the western part of Colorado, including the Denver Post and the papers in Utah, have essentially said the same thing. These papers have lived with the history of the booms and the busts, including the big bust of the 1980s, with respect to oil shale. The Denver Post in its editorial says:

Developing oil shale has been a dream since the early 20th century, but careful planning is needed to make sure the dream doesn't turn into a nightmare.

It goes on to say some other things that are very supportive of a thoughtful and deliberative approach that I have tried to bring to oil shale development.

The Grand Junction Sentinel, which essentially is the newspaper that covers all the Western Slope of Colorado, some 20 counties, a paper whose editorial board knows good economics can come from thoughtful development of our natural resources but also a newspaper that has stood tall in terms of making sure we are protecting the long-term sustainability of the Western Slope. Here is what the Grand Junction Sentinel says in its editorial page. The Grand Junction Sentinel probably knows as much about water and public lands and natural resources as much as any other newspaper around the West. They know it because they live it. They know because they know that across the western part of Colorado, most of the land is owned by the Federal Government. The Federal Government owns 33 percent of the State of Colorado and most of that is located on the Western Slope.

Here is what the Grand Junction Sentinel, a conservative editorial board, had to say about this oil shale development. It says:

The notion that the one-year moratorium on commercial leasing approved by Congress last year is somehow a barrier to commercial development is nonsense. If anything, that moratorium should be extended.

It continues. The editorial was titled: "Congress is Pushing Another Shale Sham."

Continuing, it says:

Whatever technology is used to recover oil from shale, the impacts will include massive surface disturbance, huge demands for additional electric generation, and reservoirs full of Colorado's limited water, not to mention the hordes of additional workers who will descend on this area.

The Grand Junction Sentinel says in its editorial, joining the Denver Post, that as we move forward to look at oil shale as a possible energy source for our country, then we need to be thoughtful in terms of how we move forward.

The Salt Lake Tribune. There are some—a much smaller percentage of

the shale we are talking about is actually located in Utah, but the Salt Lake Tribune essentially has said the same thing. It says:

The development of oil shale deposits in eastern Utah, Wyoming, and Colorado would be an expensive undertaking, risky for the environment, and a drain on dwindling water resources, with no quick return in additional oil supplies to reduce America's dependence on foreign oil.

" . . . with no quick return in additional oil supplies to reduce America's dependence on foreign oil."

So when the President of the United States stands and he says to the American people that here is the answer to your high cost of gas and diesel and jet fuel today, and he says we are going to go to oil shale, there is a misrepresentation on what the contribution is going to be from oil shale development and a misstatement and a misapprehension, frankly, of what the facts and reality are with respect to oil shale development in the Western Slope of Colorado.

I wish to focus on a couple of those issues in a little more specific way. One of the realities we all know in the West—those of us who share the water of the Colorado River Basin—is that we live in a place that has a very limited water supply. The Colorado River supplies water to seven States: Wyoming, Colorado, New Mexico, Nevada, Arizona, and California. For 100 years, we have figured out a way of living together and sharing the supplies of water within the river. It is said today that there are some 500,000 to 1 million acre feet of water that can still be developed and then used within my State of Colorado under the compacts that govern the sharing of water on the Colorado River. Those compacts are very important. There is also a truth about oil shale and how it will use the water that is allocated to Colorado under those compacts.

But we don't know how much water is going to be required for oil shale development. We don't know whether it is 500,000 or 1 million or 2 million acre feet, and we don't know what the consequences, therefore, would be on agriculture within Colorado or on the municipalities that so depend on that water. So it is no surprise that most of the water entities involved in protecting Colorado's water compacts have come out against a head-long rush into oil shale development because they are concerned about what will happen with respect to the water supplies of the Colorado River if, in fact, we move forward at the full-scale commercial oil shale leasing program in a premature way.

So it would be my hope that as we look at the possibilities for dealing with the current energy prices, that we try to focus on real solutions. The real solutions, first and foremost, are for us to look long term and to avoid the failed policies of the past 30 years under, frankly, both Republican and Democratic administrations that have

gotten us to the point today where we are so overdependent on foreign oil that not only our national policy but our economic reality is being driven by that massive overdependence. So embracing the new world of energy, where we are looking at greater efficiencies, where we are looking at alternative fuels, where we are looking at advanced technologies such as those of the hybrid plug-in vehicle, and where we are looking at the development of our conventional resources in a thoughtful, honest, and balanced way is a way forward. It has to be the kind of energy policy we can sustain, not over a week or a political season or even the term of one President, but over a longer period of time. It is the kind of challenge for America that should summon the kind of political courage among all those who are involved in this debate, in the same way we were able to take on the Manhattan Project and build the atomic bomb in less than 4 years, where we were able to move forward and put a man on the Moon in less than 10 years from the time President Kennedy announced that vision and that goal for America. That is important, and that is long term.

It is also important that we do what we can in the short term to address this issue. We have had conversations about speculation of the markets and how speculation might be accounting for somewhere between 25 and 40 percent of the high price of oil we see today. We need to look into that question and see whether we can bring the rapid speculation under control. Those are undertakings we can take on and take on in the very near term.

In addition, I have heard my colleagues on the other side of the aisle say what we need to do is to open up all the lands in ANWR and other lands within the interior and offshore in order for us to be able to bring in additional supply into our energy stream for America. There is a possibility for us to open additional lands. There are lands, for example, within the gulf coast of Mexico, which we opened in the 2006 Energy bill, where we added some 8 million acres of additional land in the gulf that we said is now open for exploration. We have done a lot to try, in my view, to bring in additional supply in terms of our energy pipelines.

But we should not kid ourselves because we know today there are more than 60 million acres of public lands, both onshore and offshore, which have already been leased to the oil companies—60 million acres, far surpassing the acreage of ANWR, far surpassing any of the acreages being talked about now even on the gulf coast of Mexico that might be opened. So what is happening with all these public lands, resources of the United States of America under which lie significant reserves of oil? I would say there are huge opportunities there for oil and gas companies to go out and to develop the resources that are underneath those lands.

I conclude by saying, first, let us be honest about oil shale and its possibilities. Let's not oversell to the American public that this is somehow a panacea for America's energy needs.

Secondly, let's look long term, knowing there is going to be some pain but that we need to look long term at a new energy policy for the United States of America. As a parenthetical, I would say that is why these energy tax incentives we have been working on are so important for us to try and harness the energy of the Sun, the energy of the wind, the energy of biofuels, the energy of cellulosic and ethanol as we move forward on that frontier.

Thirdly, as we look at short-term solutions to help, in some way, alleviate the pain all Americans are feeling today with respect to high gas prices, that we be realistic with respect to the solutions to that particular challenge we face.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

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

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

#### MORNING BUSINESS

Mr. SALAZAR. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

#### LETTERS FROM VERMONT

Mr. LEAHY. Madam President, I would like to bring to the attention of my colleagues an op-ed piece by Bob Herbert that appeared in *The New York Times* on Saturday, June 14.

The editorial, entitled "Letters From Vermont," uses excerpts from powerful letters that Vermonters sent to my colleague and friend, Senator BERNIE SANDERS. In inviting these personal testimonials from Vermonters, Senator SANDERS has illuminated the debate—and, I hope, hastened action—on the struggles that millions of American families are facing in our current economy. Mr. Herbert's column has brought these letters to the attention of many, many more Americans.

So that all Members may review this illustrative and telling column, I ask unanimous consent that it be printed in the RECORD.

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

[From the *New York Times*, June 14, 2008]

#### LETTERS FROM VERMONT

(By Bob Herbert)

Despite the focus on the housing crisis, gasoline prices and the economy in general,

the press has not done a good job capturing the intense economic anxiety—and even dread, in some cases—that has gripped tens of millions of working Americans, including many who consider themselves solidly middle class.

Working families are not just changing their travel plans and tightening up on purchases at the mall. There is real fear and a great deal of suffering out there.

A man who described himself as a conscientious worker who has always pinched his pennies wrote the following to Senator Bernie Sanders of Vermont:

"This winter, after keeping the heat just high enough to keep my pipes from bursting (the bedrooms are not heated and never got above 30 degrees) I began selling off my woodworking tools, snowblower, (pennies on the dollar) and furniture that had been handed down in my family from the early 1800s, just to keep the heat on.

"Today I am sad, broken, and very discouraged. I am thankful that the winter cold is behind us for a while, but now gas prices are rising yet again. I just can't keep up."

The people we have heard the least from in this epic campaign season have been the voters—ordinary Americans. We get plenty of polling data and alleged trends, but we don't hear the voices of real people.

Senator Sanders asked his constituents to write to him about their experiences in a difficult economy. He was blown away by both the volume of responses and "the depth of the pain" of many of those who wrote.

A 55-year-old man who said his economic condition was "very scary," wrote: "I don't live from paycheck to paycheck. I live day to day." He has no savings, he said. His gas tank is never more than a quarter full, and he can't afford to buy the "food items" he would like.

His sense of his own mortality was evident in every sentence, and he wondered how long he could continue. "I am concerned as gas prices climb daily," he said. "I am just tired. The harder that I work, the harder it gets. I work 12 to 14 hours daily, and it just doesn't help."

A working mother with two young children wrote: "Some nights we eat cereal and toast for dinner because that's all I have."

Another woman said she and her husband, both 65, "only eat two meals a day to conserve."

A woman who has been trying to sell her house for two years and described herself as "stretched to the breaking point," told the senator, "I don't go to church many Sundays because the gasoline is too expensive to drive there."

Many of the letters touched on the extremely harsh winter that pounded Vermont and exacerbated the economic distress. With fuel prices skyhigh, many residents turned to wood to heat their homes. A woman with a 9-year-old son wrote: "By February, we ran out of wood and I burned my mother's dining room furniture. . . . I'd like to order one of your flags and hang it upside down at the Capitol building. . . . We are certainly a country in distress."

Senator Sanders, an independent who caucuses with the Democrats, remarked on the disconnect between the harsh economic reality facing so many Americans and the Pollyanna claims of the Bush administration and others over the past several years.

The assertion that the economy was strong and getting stronger, repeated with the frequency of a mantra, hid the reality that working Americans have been taking a real beating, said Senator Sanders.

He pointed out that over the past seven or eight years, millions of Americans have lost health insurance coverage, lost pensions, and become deeply mired in debt. During that period, the median annual household income