

in every one of these circumstances. So if demand isn't up, you may say: Well, but China and India, Senator DORGAN. Don't you understand that? Yes; 12, 14 months ago we understood what China and India were expected to demand at that point.

My point is aggregate demand in the United States is down slightly. China and India are up. It was expected that our demand would increase for the first 5 months of this year. In fact, we experienced increases in inventory and stocks of the supply for the first 5 months. So you cannot point—and I have never found an expert who can point—in the last 12 to 14 months, to something that has changed in any significant way in supply and demand that justifies the doubling of oil prices.

So my proposition is this: Let's deal with what most people understand to be a problem. Excess speculation is rampant and the marketplace is broken. Let's demand the regulators begin to earn their salary by thoughtful regulation with that which is prescribed in the legislation that I have introduced. Then, at the same time, we should move on to other issues for the coming decade when we ought to dramatically change the way we use and produce energy in this country—renewables, conservation, efficiency and so much more.

I see I have exceeded my time.

I yield the floor.

Mr. NELSON of Florida. Mr. President, would the Senator yield for a quick question?

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

Mr. NELSON of Florida. May I ask unanimous consent for 30 seconds to ask the Senator one question?

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. ALEXANDER. Mr. President, reserving the right to object, there will be no objection if an equal amount of time that is used by the Democratic side will be added to the Republican side.

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

Mr. NELSON of Florida. Mr. President, I thank the Senator for yielding. Would the Senator address the question of—in his very excellent and very compelling argument he has just made about speculation, it has been determined that speculation may be as much as one-third the cost of gasoline, even up to one-half the cost of gasoline that is as a result of speculation?

Mr. DORGAN. Mr. President, I ask unanimous consent for 30 seconds to respond, and that the Senator from Tennessee then be given an additional 1 minute.

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

Mr. DORGAN. Mr. President, we have had testimony from experts who have said that this excess speculation has driven up the price of oil and gasoline,

in some cases they estimate by 20 percent; in other cases they estimate as much as 40 percent. I don't think there is any question that if you look at this line—this is the line where prices have gone—that you have to conclude this has had a dramatic impact on the price. You can't see these things swing back and forth \$4 and \$7 and run up to \$145 a barrel like some sort of wild curve, behind which there are no set of facts that would justify it. That is why it is important, I believe, for this Congress to tackle this issue.

I yield back the remaining time.

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

Mr. ALEXANDER. Mr. President, how much time do we now have?

The ACTING PRESIDENT pro tempore. There is 36½ minutes remaining.

Mr. ALEXANDER. I intend to consume about 12. Would the chair please let me know when 10 have expired?

The ACTING PRESIDENT pro tempore. The Chair will so advise.

#### ENERGY

Mr. ALEXANDER. Mr. President, I wish to say first that I had the chance to hear not only the Senator from North Dakota but the Senator from New Mexico, Mr. BINGAMAN, and what was going through my mind is that this is exactly what the Senate ought to be doing every day—every day—until we have a full and complete debate about all of the causes of the current high gasoline prices, all of the solutions that we can put in place today, until we consider all of the amendments that we need to bring up, and that we come to as a result. That is what the Senate is supposed to do. It is wonderful that we have 36 minutes to get up and present our sides, but our mode of business for the most difficult problem facing our country ought not to be back-and-forth arguments, or it ought not to be just to consider one bill brought up by the Democratic leader just because he is the majority leader and can do that and not consider all of the other ideas.

I would like to hear all that Senator BINGAMAN has to say, for example, about why he doesn't like the idea of State options for offshore exploration. He is a thoughtful Senator and chairman of the energy committee. I would like to hear all that Senator DORGAN has to say about speculation. He is a thoughtful Senator and, as he said, has been willing to support more offshore exploration in some cases, and might do more.

We need to have a full debate about the extent to which speculation is a problem. For example, Senator DORGAN cited speculation as one reason we have gas prices above \$4 a gallon. Republicans believe speculation is part of the problem as well. The Gas Price Reduction Act we introduced, with 44 Republican Senators supporting it—and we hope it earns significant support on the

other side—has as one of its four parts speculation and putting 100 more cops on the beat to deal with it.

But we are also aware that Warren Buffett, who is invited to lunches on the other side of the aisle because he is a well-admired person who understands the market well enough to make a lot of money on it, Warren Buffett said in June: "It is not speculation; it is supply and demand."

The International Energy Agency, an energy policy organization with 27 member nations, says:

Blaming speculation is an easy solution which avoids taking the necessary steps to improve supply side access and investment, or to implement measures to improve energy efficiency.

So we need to consider a full debate on the extent to which speculation makes a difference.

We believe—and we are not the first to have this idea—that the solution to \$4 gasoline prices is to find more oil and to use less oil. I wasn't the best student in economics at Vanderbilt University years ago, but that is what I was taught in economics 101, that the reason gas prices are high is because we have had growing demand and diminishing supplies. Also—I will get back to this more—what we do today about future prices can make all the difference in today's prices. I am not the only one who believes that.

Martin Feldstein, chairman of the Council of Economic Advisers under President Reagan, a Harvard professor and member of the Wall Street Journal's board of contributors said in an article a few days ago: Any steps that can be taken now to increase the future supply of oil—that is finding more—or reduce the future demand for oil in the United States or elsewhere—that is using less—can, therefore, lead to lower prices and increased consumption today.

Not 10 years from now, not 5 years from now; what we plan for the future can make a difference in the prices today, and we need to be doing that.

April is a single mother of two in Sevier County, TN, who took a job 40 miles away 2 years ago so she wouldn't have to live off welfare. With gas prices rising, she is spending about \$160 a week on gas and can't afford to pay all the bills. She sent me that letter in the past couple of weeks.

Dave from Murfreesboro was laid off from his job at a trucking company in Jackson because they had to declare bankruptcy. They couldn't afford the gas. The company just expanded the dispatch office and they bought new trucks when they ran out of money from rising fuel prices. He is now worried our middle class is disappearing.

Robert in Elizabethton, TN, a retired police officer, worked his whole life so he could retire. But now with gas prices so high, he says he has to cut back on his trips to the doctor and the grocery store because it has gotten so expensive.

Glenna from Lafayette is on social security and lives on a very fixed income. She can barely afford to leave

home. Even the food at her local grocery store has gotten more expensive because they have to pay a gas fee for deliveries.

David from Knoxville has had to cancel his family's vacation this year. He will be having a "STAYcation," as he says. He just got a promotion and raise at work, but the increase in living costs with food and gas has left him with no net gain. Instead, he is struggling to pay his bills.

Mr. President, I ask unanimous consent to have printed in the RECORD these five letters and e-mails from Tennesseans who are Americans hurt by high gas prices.

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

Senator Alexander, yes, I would like to share my gas price story.

I live in Sevier County where majority of the jobs pay well below \$10 an hour. In my hopes of no longer being dependent on any form of welfare, I needed not only a well paying job but one with really good benefits. I took that job (a federal government position) back in April 2006 and it is 40 miles away from where I live or can afford to live. I am a single mother of two. When I took this job, I didn't realize I would a year later be spending \$100-\$160 dollars a week in gas just to get to work, get my kids to school and get to stores for necessities. We are surviving only because I do not pay all my bills and the ones that I do pay are usually not on time. It saddens me that I am again in a position of choosing between bills, food or gasoline and that there are others like me going through the same. We have enough issues in this country to deal with that we are unable to help, like the floods in Iowa wiping out farms which I do expect to increase food prices. We can help what we do with the gas prices. Thanks for reading my story. I would say more but it just plain makes me angry.

APRIL, Sevier County.

Dear Senator Alexander, I very much appreciate your fight to prevent a 53-cent gas tax hike that had been included in climate change legislation currently being debated in the U.S. Senate.

I also welcome your support of legislation to explore now for more American oil and natural gas in a way that preserves the environment for future generations. We MUST have energy independence from the middle east if America is to survive as an independent, sovereign nation.

Your proposal for a new Manhattan Project may be just what we need for that survival. As a former US Navy Submariner, and Plankowner on the USS Tennessee (SSBN 734) I am keenly aware of the narrow lead we had during WWII, and how (with God's help) the Manhattan Project barely gave us enough of an edge to win WWII. Today the balance may be even more delicate and narrow than many realize.

I was laid off from a trucking company (St. Michael Motor Freight) in Jackson TN, when they ran out of money to buy fuel.

I had previously applied for a job with American Freight in Christiana TN, around the time I went to work for St Michael's in Jackson. They had ordered about 60 new International 9400i class 8 road tractors, at a cost of around 110 to 120K each.

So when the Jackson company ran out of money, I went down to American Freight between Murfreesboro and Christiana, on US 231. When I got there, American Freight had been forced out of business, due to the high

fuel prices. There sat 60 brand new trucks on the fence, with the whole place padlocked. They had just expanded the dispatch office, not to mention many other improvements; all wasted as the place sat closed up in bankruptcy.

Many Americans in general, and Tennesseans in particular are becoming more than frustrated by the systematic degradation and destruction of America's middle class in general.

It is basically the disappearing middle class in America that is the last group that still believes in American sovereignty. Many of the super rich would like to see this country forced under the subjection of the United Nations. I think we are seeing that happen each day as more companies close doors here & ship jobs over seas.

Let me encourage you to keep up the good fight and not back down from big business as you continue the fight to keep Tennessee's working middle class from disappearing.

Thank you for your time and interest in your fellow Tennesseans.

Sincerely,

DAVE.

Senator Alexander, I am a retired police officer. I worked my whole life just to get to the point where I could retire and travel. I have had to cut back on trips to the doctor, medicines and groceries. I hope that you can help the American people, we deserve better. Good luck in trying to do something about this problem.

ROBERT, Elizabethton, TN.

Mr. Alexander, regards to you and your family. I commend you on your outstanding job and your very informative email updates on our economy.

Gas prices have really affected me as an individual. I am on Social Security and my income doesn't increase with the rise in gas prices. I rarely leave the house anymore due to the expense of buying gas to get around with. I haven't bought gas in over a month now, luckily I still have about a quarter tank. Others around me have felt the sting as much; some have gas stolen right out of their cars. Since gas has risen so rapidly, the groceries and utilities have also risen. I even heard the local grocer state that the reason he had to raise prices on the shelf goods was because the delivery trucks now charge him a gas fee for delivering the goods. He tried to apologize and I could see the pain in his eyes because he had no choice but to go up on the prices. Not only has the prices risen, the size of most goods are smaller. That causes us to have to go back to the grocery store more often and with a fixed income, that really hurts! I have considered selling my 2005 Ford Escape (was a used automobile when I bought it) and buying a pedal car or a bicycle of some sort or even start using the lawn mower to go out in town. I shudder to think that in Jan. the little raise we get on Social Security will only be an insult compared to the extent of the expense of surviving. It wouldn't surprise me if our landlord decided to go up on the rent and if he does, which would be to cover his deepening expenses, that we would have to move and sell all our belongings that we need to sustain this home. Can the government find us a place to live? The tornado that ransacked Macon Co. has made it almost impossible to find rent houses here. Yes, it has affected us drastically and will continue to suck the life out of us making it impossible to have any luxuries like cable tv, which isn't a choice anymore to get a picture and groceries; already we have had to cut out fresh vegetables and fruits.

I pray there will be a solution soon.

GLENN, Lafayette, TN.

Senator Alexander, I recently received a promotion and raise that resulted in a 20% increase in my salary. Prior to this year, my family and I were always able to afford to vacation for a week in Florida every summer. After the raise, the price of gas has gone through the roof. We have seen our "windfall" become a non-factor in our budget. On average, we are spending \$50 more per week resulting in \$100 more per pay period on gas alone. In addition, our grocery bills have gone up 20% due to increased prices from higher fuel costs of delivery and the price of materials in packaging. All of this has resulted in creating a ZERO net gain for our family out of a promotion and raise that I have worked on for over 2 years!!!

To add insult to injury we are having to do what a lot of other Americans are doing this summer, a STAYCATION. In case you don't know what that is, it is a vacation that you take at your home. You don't go anywhere, you stay put. I don't know about you but I would think that this development in itself will have a detrimental effect on the entire country given that money from leisure activities will be way down.

How did 30 years go by and we are no further along with solar and wind energy conversion? How is it that we allowed our pursuit of nuclear energy to be stalled? When are we going to open up the pipeline in Alaska to prove to the rest of the world that we have adequate supply so demand pricing goes down? What is the plan???? We need one right now or my children and your grandchildren are going to inherit something that none of us envisioned and the Democrats are going to tax all of us as a way to cure a problem that they don't have an answer for. Please provide your excellent leadership to our Congress so that we can save this country!

DAVE, Knoxville, TN.

Mr. ALEXANDER. The writers of these letters may say: All right, you are United States Senators. You are in charge of the Congress. Do something.

Well, we say find more, use less. We have a bill, 44 Senators cosponsored the bill, and we asked to bring it up. Senator VITTER of Louisiana brought it up the other day, and on behalf of the Democratic side, it was objected to. Now, I can understand that. Maybe it wasn't convenient to bring it up that day, but it is not convenient for the letter writers who wrote to me to wait another 2 days for us to seriously deal with the issue of gasoline prices either.

So my suggestion is that the Democratic leader—and the whole Nation should understand this. The Democratic leader may not have much of a majority, but he has control of the agenda. If he wants to put gasoline legislation on the floor of the Senate, he can do it the next hour. He can do it before noon.

When he does it, I would respectfully ask that the American people expect us to have a full discussion and full debate about how we can fix this problem, and that means what can we do about finding more, what can we do about using less.

We just heard two of the most prominent Democratic Senators who understand energy and who say we do need to do a variety of things. They say that. We had a second bipartisan breakfast yesterday morning on gas prices. Fifteen Senators attended—

eight Democrats, seven Republicans—or maybe it was the reverse. I wasn't there because I was in Chattanooga for Volkswagen's announcement of a new plant in Chattanooga, for which we are grateful. But we had a good discussion the week before, and we had a good one yesterday. We should be having that discussion on the Senate floor.

Our plan, the Republican plan, which we hope earns Democratic support, is very simple. It would increase American production by one-third over time—by one-third, one, by giving States the option to explore offshore for oil and gas and keep 37½ percent of the revenues. If I were the Governor, as I once was—we don't have a coast in Tennessee, but I would have been delighted to have that money. I would have put it in the bank and built the best higher education system in America, kept taxes down, and done some other things. That is what the four States in the South do. Virginia might decide to do it, North Carolina, Florida might. The oil market would get the oil and our prices would begin to stabilize. That would be 1 million barrels a day the Department of Interior estimates. Remember, 85 percent of the area on the Outer Continental Shelf in which we could drill is now off limits. We are going to have to deal with that issue. We should be dealing with it on the Senate floor.

Two, we could go to three Western States and lift the moratorium on oil shale development. We should proceed with that in environmentally sound ways. That should produce, according to the Department of the Interior, 2 million barrels a day. What do those numbers mean? It means we could increase our production by one-third—increase American energy by one-third.

Now, we only produce maybe 10 percent of the world's oil, but we are the third largest producer. Many on the other side have said: Well, let's sue OPEC, the Middle Eastern countries, and make them produce more oil. By analogy, we should be suing ourselves for not allowing the U.S. to produce more oil. We produce about as much oil as Saudi Arabia. We are the third largest producer. We should make our contribution to finding more American energy by producing more oil, and there are many Republicans and some Democrats who are ready to do that. So why are we not debating that and acting on that and voting on that on the Senate floor? That is what the Senate is expected to do.

Then, use less. We are willing to do both. We understand both parts of the equation of supply and demand. Our suggestion and our legislation—and I believe, personally, the most promising way for our country to rapidly reduce our reliance on foreign oil—is to use plug-in electric cars and trucks.

Now, when I first began talking about this, some people thought I had been out in the sun too long. But Nissan, Toyota, Ford, General Motors, are all going to be making and selling to us

within a year or two or three electric hybrid cars, or in Nissan's case an electric car that you simply plug in at night. Where do we get the electricity to do that? We have plenty of electricity at night when we are asleep. In the TVA region, for example, where I am from, the Tennessee Valley Authority, we produce about 3 percent of all of the electricity in America. We have the equivalent of 6 or 7 nuclear powerplants worth of electricity available at night which is unused. So TVA can bring me a smart meter and say: Mr. ALEXANDER, you can fill up with electricity at night and drive your car 30 miles a day without using any gas. When I am here in the Senate, that is about all I drive. Three-quarters of Americans drive less than 40 miles a day. Over time, the Brookings experts believe we could electrify half our cars and trucks, and do it without building any more new powerplants because we already have unused electricity at night. So we are willing to do more and use less.

We hear too much coming from the other side of the aisle to avoid the finding more part. They are dancing around the issue. We say: More offshore exploration with some exceptions. We hear: No, we can't.

We say lift the moratorium on oil shale, with some exceptions. They say, no, we can't. We say more nuclear power, which is clean and we can use it for electricity and to plug in our cars and trucks. They say, no, we can't. We need to be finding ways that we can say, yes, we can, to finding more and using less.

My last comment is this: I hope not to hear anybody else ever say on the floor of the Senate that we cannot do something because it will take 10 years. Did President Kennedy say we could not go to the Moon because it would take 10 years? Did President Roosevelt say we could not build a bomb to win World War II because it might take 3 years? Did our Founding Fathers say we cannot have a Republic or a democracy because it might take 20, 30, or 40 years? Our greatest leaders have said this is the way we go in America. This is what we should be like in 5 or 10 years. We should have a new "Manhattan Project" for clean energy independence, to put us on a path toward that independence with 5 or 10 years.

From the day we take those actions, the price of oil and gasoline stabilizes and begins to go down. That is what was so eloquently said in the Wall Street Journal article by Mr. Feinstein. Let me conclude with the very words he said 2 days ago:

Now here is the good news. Any policy that causes the expected future oil price to fall can cause the current price to fall, or to rise less than it would otherwise do. In other words, it is possible to bring down today's price of oil with policies that will have their physical impact on oil demand or supply only in the future.

The United States and this world are waiting for us to enact a plan that will

find more American energy and use less oil, so it can see that in the future we are on a path to energy independence and, as a result, the prices of oil today will stabilize and begin to go down.

I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, how much time remains in morning business?

The PRESIDING OFFICER. There is 22 minutes 25 seconds.

Mr. CORNYN. I will take the first 10 minutes and ask unanimous consent that the Senator from New Mexico be accorded the final 12 minutes of our morning business.

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

#### HIGH GASOLINE PRICES

Mr. CORNYN. Mr. President, I want to talk as well about high gasoline prices. I agree with my colleagues that this is the No. 1 issue of the day when it comes to domestic policy.

Frankly, as we talk about the housing crisis, the subprime mortgage crisis, hopefully, our economy will work through this difficulty with the collective efforts of the White House and Congress. But, frankly, I am worried the most that unless Congress acts to lift the moratorium on the Outer Continental Shelf, the oil shale, and other sources of oil here at home, then it will be high gasoline and high energy prices that will plunge our Nation into a recession.

As bad as people feel the economy is going right now, I believe it can only get worse, unless Congress acts responsibly to deal with the causes of high gas prices. It is within our grasp to have a positive impact and bring down the price of gasoline at the pump.

I think it is important for the American people to understand that the consequences of the last election in 2006 meant that the Democrats—our friends on the other side of the aisle—are in charge. As the Senator from Tennessee mentioned, it is Senator REID, the Senator from Nevada, the majority leader, who controls floor time. We cannot bring things up on the floor of the Senate unless he says it is OK. What we are doing here today is imploring him to get to work—to allow us to get to work on the Nation's business when it comes to bringing down the price of gas at the pump.

There is some good news: After 145 days of delay and going dark listening to foreign terrorists, because we hadn't reauthorized the Foreign Intelligence Surveillance Act, we were able to get a bipartisan compromise and pass that legislation.

Here, again, this is where the majority party, the Democrats, control the agenda and, frankly, we are seeing unnecessary delays that were causing harm not only to our intelligence gathering, but also it has been 603 days