

Introduction: Next: a debate on energy policy with members of the Democratic and Republican house caucuses. This is part of a series of issue debates members are holding away from Washington. This hour-and-twenty-minute discussion was at Tulane University in New Orleans.

Jeanne Cummings: Welcome everyone here. This is the third policy debate and our topic today will be energy. With gas prices soaring and national security concerns in mind this is a very well-timed meeting and conversation. What we hope, over the course of the next hour-and-a-half, is that we share some light on the differences between the two parties, but also maybe stumble onto some areas where they agree. Ya never know. But it is a rare opportunity to hear some really constructive debate about where the nation's energy policy should go.

Now I, too, and the panelists up here I'm sure, want to also thank Tulane University for sponsoring this in, what I've been told, their greenest building on campus. That, of course, is a gift, of sorts, from Hurricane Katrina. So thank you for having us here in this lovely building.

Here are the rules: they two teams will question one another first; they'll have technically forty-five minutes [*sic*] to ask the question, two minutes to answer, ninety minutes [*sic*] to rebut. I have the discretion to move this around, and if we get engaged in a really interesting conversation, I will loosen those rules so that we can really flesh out their positions on issues.

About halfway through I'll be taking audience questions. You should be able to get 3x5 cards (very good: you already have them), fill your questions out early, not late, because when I call them in, it will be very difficult to get other questions later in the debate, so you want to go ahead and fill them out now so we can collect them in about twenty minutes. And I'll give you a heads up when that's coming up.

We ask that you hold all applause and booing, and any other noise, if you can, until we get to the end, so that way we can get in as much conversation from our panelists as possible.

We started in the beginning with a coin toss, to decide which side would go first; the Republicans won the coin toss and actually elected to close this event. So the Democrats will be first up.

So now let me introduce you to your panelists. On my far right we have Michigan Representative Bart Stupak; next to him, California Representative Hilda Solis; and next to her we have Washington Representative Jay Inslee, who's also co-author of a book called Apollo's Fire; and here next to me we have Representative Blumenauer from Oregon; and over here on our far, far, left (my far left) we have Republican Representative Fred Upton of Michigan, and we have, from Tennessee, Representative Zach Wamp, and next to him we have, from Montana, Representative Denny Rehberg; and last, but not least, we have, from Minnesota, Representative Michelle Bachman.

And now we'd like to go right ahead and allow the Democrats to open, and I understand Representative Stupak is going to open for them. It is supposed to be a five-minute opening.

Bart Stupak:

Thank you Jeanne. I'm proud to be here today with my colleagues to discuss energy issues. As Chairman of the Oversight and Investigations Subcommittee, it's my responsibility to set hearings and conduct investigations on food and drug safety, nuclear security, and increases in energy costs, price gouging, and market speculation.

Over the past two years we've held six hearings on the skyrocketing costs of energy, and the effect it's had on the American people. When George Bush and Dick Cheney took office, here in New Orleans the price of a gallon of gas was \$1.37; today it stands at approximately \$4.00 a gallon. In 2001, crude oil sold at approximately \$24.00 a barrel; today crude oil is selling at over \$125.00 a barrel.

Until last year the Republicans controlled the House, the Senate, and the Presidency. For six years America's energy policy was completely, completely controlled by the Republicans. Today marks the 3rd anniversary of the passage of the Republican Energy Policy Act of 2005. The Republicans heralded it as a way to reduce gas prices, lower dependence on foreign oil, and spur the economy.

Unfortunately the opposite is true: oil imports have increased, and our economy has faltered. Democrats have taken action to reduce the demand for oil, invest in alternative energy sources, and create "green collar" jobs. Democrats passed price gouging legislation, and a bill directing the SFTC to use emergency power to crack down on excessive speculation to protect consumers. Each time our efforts have been blocked by the Republicans.

The Republicans have been, to borrow a phrase from the Administration, “all hat and no cattle.” President Bush declared in his 2006 State of the Union address ‘America is addicted to oil.’ But instead of developing new energy sources, President Bush and the Republicans are demanding more drilling. Any new drilling requires ten years of development before consumers see one drop of oil. At that rate the average family would spend \$57,000.00 on gas before the Republican drilling plan would save them a penny.

We cannot drill our way out of energy prices, nor can we transition to alternative fuels tomorrow. We need to develop alternative energy sources beyond drilling, to reduce energy prices, and provide long-term solution to America’s energy crisis. Just last week Democrats brought a bill to the floor that would immediately drop the price of oil by one-third, by reducing oil from the Strategic Petroleum Reserve. Every Democrat votes for it; 154 Republicans voted against it, and the bill failed.

Another immediate action to rein in excessive speculation in oil futures market is to close the Enron loophole. This loophole allows trading to occur in unregulated markets, or “dark markets”, without any Federal regulation or oversight. During my June 23rd subcommittee hearing on speculators in the oil market, experts testified under oath that, based on supply and demand fundamentals, crude oil prices should not be above \$60.00 a barrel.

Democrats are taking action to curb excessive speculation, lower the price of oil, and bring real relief to American families. Democrats are working to increase oil supply, and to promote alternative fuels and energy conservation. Early this month the House considered the Drill Act: drill responsibly in leased lands. This legislation would speed the development of oil and gas production in 22.6 million acres of the National Petroleum reserve in Alaska. This bill would also prohibit companies from obtaining any new leases for drilling unless they demonstrate that they are developing or producing oil and gas from the leases they already hold. This concept is referred to as “use it or lose it.” 82% of the natural gas in the Outer Continental Shelf, and 79% of the oil is currently available for leasing. Congress can’t drill for oil – the oil companies must drill for oil. No more excuses, use it, or lose it.

Last year the Democratic Congress took a historic step to promote energy conservation and alternative energy sources when it passed the Energy Independence Bill. This bill included a 40% increase in fuel standards for cars and trucks, the first CAFÉ standard

increase in over thirty years. It also included new energy efficiency standards for appliances, lighting, and buildings, as well as promoting alternative energy sources such as ethanol, biodiesel, wind, solar, and geothermal. The bill creates an energy efficiency program to train up to three million workers for green collar jobs to help increase economic opportunities and boost our economy.

Democrats have a vision of energy independence that reduces costs and invests in renewable sources of energy to protect our national security, our economic security, and our planet. We believe in freedom from foreign oil, freedom from excessively high energy costs, and freedom to develop alternative energy sources. Democrats will continue working to provide solutions, not just slogans.

Thank you.

Dennis Rehberg:

Good morning. I'm Denny Rehberg, the sole representative of Montana, the second largest geography behind only Alaska, spanning the distance of Washington, DC to Chicago, and encompassing over 147,000 square miles. Why do I mention this? Because from a comprehensive energy perspective Montana is a virtual warehouse of energy opportunity, and energy solutions. Much like our host state of Louisiana, which ranks No. 1 in offshore drilling in oil and gas, Montana ranks No. 1 in coal reserves. We have oil, gas, coal, wind, solar, geothermal, biomass and hydro power. And which of these are the answer to the current energy challenge now and in the future? All of the above and more – leave no stone unturned.

There are those that will want to say the situation lies only in conservation, or in alternatives, or in regulating speculators, but let's be honest with America, in large measure we depend on oil and gas, coal, hydro and nuclear, and we demand more than we supply. Supply and demand.

It would be easy to point fingers, which we do, as to why we find ourselves in this problem. But it's too late for that. We've had plenty of warning. We had gas lines in 1973 and 1979, brownouts in major metropolitan areas, low income energy assistance funding that has continually had to go up because people could not support and pay for their high heating and cooling costs. And what's Washington's response? Deafening silence, hoping and praying that we can conserve our way into the future, keeping our fingers crossed that windmills or solar power would power our energy needs. Lethargy, apathy: the teach went up to Johnny and said,

“Johnny what’s the difference between ignorance and apathy?” Johnny looked up and said, “Teacher, well I’ll tell ya: I don’t know and I don’t care.” Well the people of America do know and they do care. And it’s time for elected representatives in Washington to think outside the dome. Solutions are not inside the capital; Congress won’t invent the new batteries that will be used in hydrogen-fuel celled cars of the future; bureaucrats don’t design the new turbines that are gonna allow ten times the production of energy of the old windmills.

Do you know why the internet has been so successful? Government hasn’t figured out how to screw it up yet. What does ‘one-size fits all’ government in Washington do for us? If you want to drill for an oil and gas on federal properties that has already been determined as environmentally acceptable, and you successfully bid and pay the bid price, the bonus, in the first year’s rent, you have to fill out an application for a permit to drill; on average it takes the Bureau of Land Management seven months to review that application. Not an application for drilling: an application to apply for the permit to drill. Last year they had a backlog of over 5,000 permits. Rather than some phony use-it-or-lose-it legislation that Congress debated to punish those that are out there every day trying to solve the energy problem, why don’t we pass legislation that tell bureaucrats, “Use common sense, or lose your job.”

I don’t know if there can be a bright spot in the crisis, but if there is I’d say that they’re – in this energy crisis there is a bright spot, and I’m proud to be an American, because that’s the bright spot: America has a history of coming together when it matters most: the Revolutionary War, the Space Race, World War II, where we fought two fronts simultaneously. It is time we show our mettle: develop American energy, improve American prosperity, ensure American security, and Republicans in the House of Representative, we have transformed an all-of-the-above, leave-no-stone-untuned strategy into the American Energy Act.

What does it do? It increases the supply of American-made energy in environmentally-sound ways: oil, gas, coal – it opens ANWR, it opens deep-sea drilling, it allows development of oil shale resources, and it streamlines the permitting process. It improves energy conservation and efficiency, by providing incentives for businesses and families to buy fuel-efficient cars, by giving monetary prizes for inventions, like \$300 million to the first person who comes up with a car that can get over 100 miles per gallon. And it promotes renewable and alternative energy technologies:

solar, fuels-for-schools creating steam out of wood chips to heat schools and hospitals and nursing homes. The sky's the limit. Our solutions: all of the above, and more.

We'll pick winners and losers; or we all lose. My challenge to you: join us. We can do it all: traditional fossil fuels (oil, gas and coal), alternatives, conservation and efficiency, simultaneous short and long-term solutions. We can do it now: Americans are seeking dramatic action. We can stay and should stay in Washington: cancel our recess, don't go home for our elections, and solve the issue before we go home. And that is our challenge to you: the Comprehensive American Energy Act must be passed, we must get a vote on it. Nancy Pelosi should not hold the American people hostage; we can do it all, we can do it now, and we can do it for America.

Jeanne Cummings: We'll move now to the question and answering period, when the teams will ask each other questions, and the first question will come from the Democratic side.

Hilda Solis: I was very pleased yesterday when I came to New Orleans to see so many new industries popping up, especially in the solar panel industry. If we invest in renewable energy and energy efficiency, we can secure our nation's economy and create green jobs, secure jobs that won't be outsourced. In 2006 eight million Americans were employed in renewable energy alone, creating up to \$93 billion in revenue; by 2018 it's projected that three to five million green collar jobs can be created.

My question is why have our colleagues on the other side voted repeatedly, four times, against creating clean energy, secure job growth, and economic development?

Zach Wamp: Well thank you, Hilda. All four of ya'all belong to the Renewable Energy and Energy Efficiency Caucus in the House. I've been the Republican co-chairman of this caucus, which is well over half of the House, for eight years, and worked with Mark Udall and many of you on a lot of these issues, you're absolutely right: we have the ability to do that, but while we're doing that we have a pinch on all our other energy sources – that's a huge problem for us, so you can't just move immediately from one to the other, and that's part of the debate today.

But I have to tell you that I would ask on these renewable technologies, pointing to what Bart Stupak talked about, the EAct (Energy Policy Act) – three years ago it was signed into law. If

you're in the wind, solar, biomass, geothermal, renewable sector, you will say that that was the most significant piece of legislation for your industry in the history of our country. It was lauded – I actually helped write it – I understand exactly what was in it, and these tax credits that went forward have expired. And I would ask you, in the majority, “Why have you not renewed the investment tax credits for wind, solar, biomass, geothermal?” And you can say, “Oh, we've got spending issues, and PAY-GO, and inside the Potomac River problems.” The fact is the American people want these extended, and the industry, most importantly, needs a five-year extension of the ITC, the Investment Tax Credit, on all these things. If you want to take the 6% of renewable to 12%, you've got to have the tax relief. Ya'all have not done that, and you're in the majority of both bodies. Michelle –

Michele Bachmann: Last weekend I had the opportunity to join with ten other members of Congress, and we went to the National Renewable Facility out in Golden, Colorado. It was a wonderful trip, and I encourage all Americans to make that trip to Golden, Colorado. So see the National Renewable Energy Laboratories, where wonderful work is being done on solar, on wind, on biomass – we even saw shingles that were solar-powered shingles for homes – imagine that! We had the chance to be in a building where it had zero energy use just because of the way the building is sited. The new way that the building is constructed: the solar panels that were on top, large commercial building, and yet it used no energy.

And I want to underscore, again, what my colleague Zach Wamp said, from Tennessee: We were dismayed to hear and disheartened to hear that part of the problem, why a lot of commercial manufacturers are reluctant to move forward: they need to have a long-term tax credit, in order to be able to put the investments in. These are not small investments; these potentially could be billion-dollar investments. We want more solar, wind, of biomass, but we can't do it if we can't have people who are commercially-viable, and able to put the significant sums down to make it happen.

I am a former federal tax litigation attorney, and I can tell you that if you have incentives available for people through the tax code, they will use them. We can get to where we want to go with American energy independence, but we need to have the tax code on our side.

Jeanne Cummings: Ok let's let the Democrats respond to that.

Hilda Solis: Well I agree that we have voted on a bi-partisan level to extend some tax credits, you all haven't gone far enough there. And I would even go further and say that with the Green Collar Jobs Act that was signed into law, we are still waiting to have \$125 million to help colleges and universities, to help retrain our work force, so that we can have folks out in those fields drilling, and also researching new technological areas: in the biofuel area, in these whole industries where we can see communities like New Orleans, who have suffered from high unemployment rates, all of a sudden be injected with a whole new retooling of America. And those jobs, by golly, will stay here in the U.S.

I would like my colleague, Mr. Inslee, also to respond.

Jay Inslee: Well the fact of the matter is, is that all of us know that we need to pass these tax breaks to drive incentives into clean energy, but we Democrats to not believe that we should mortgage our future to China to do so. We intend to pay for those tax breaks by taking back just a little tiny sliver of the subsidies that the oil and gas industries had over the last several decades, and in fact pay for it. The Republican approach is to borrow money from China, and put an increased federal deficit on our grandchildren to pay for this. We've got to have a future for our kids both energy-wise and financially – and we're doing it in a responsible way.

Mr. Blumenauer –

Earl Blumenauer: We have passed it four times, starting with the very first month that we have been in session. It was your decision, Zach, when you were rewriting the tax codes, to have these expire and put it in a temporary basis; we've passed four times, already, in the House of Representatives.

Jeanne Cummings: Do you want to respond?

Zach Wamp: Do I want to respond?

Jeanne Cummings: Yes.

Zach Wamp: I mean, Jay Inslee, you know that you and I are trying together to extend these without the offsets, without paying for them, because we can't afford not to! We gotta go ahead and do it; you and I are on the same team on this. And Earl, we know how this whole thing was negotiated through the whole process on extending these. I wish, we all wish, we could have gone three or four or five years. But when you were talking about what we could do, we did

two years. And now it's up to ya'all, you're in the majority, take the responsibility to extend them without offsets, without some Pay-Go Rule or some other – we can't afford to wait any longer to get this done. The renewable sector is dying, and here ya'all, and us, are wanting to grow it.

Jeanne Cummings: Alright we'll go one more response and then we'll move to the next question.

Jay Inslee: Zach I'll tell you what – if Zach Wamp was half as good as this policy and energy as we has in baseball we'd solve this problem – he's a great baseball player. But I mean I just can't believe, while we're trying to keep our grandkids' future in energy secure, to turn around and just say we're gonna borrow all this money doesn't make sense. And frankly, when oil is at \$140.00 a barrel and \$4.00 a gallon, the oil industry does not need additional subsidies from the federal taxpayer. You pay once at the pump, you should not have to pay on April 15th to give more tax breaks to this industry. The folks who need it are the solar, wind, geothermal, algae-based biodiesel – that's where we should be putting our subsidies right now.

Jeanne Cummings: Ok. Close-up.

Michele Bachmann: I think it's important to make the correction that Republicans are not advocating borrowing money from China – that is not the Republican position. That's an inaccuracy and it's a fallacy: the Republicans believe that we need to have limited government and limited spending; we are not for the out-of-control spending that is currently handling - happening in Washington, DC. I am a brand-new freshman; I tell you, if there's one thing that I have learned during my eighteen months in Congress, it's how easy it is to spend other people's money. We need a grip on out-of-control spending and spend money tax breaks on what will really work for America, and that's why we believe solar and wind tax breaks and biomass are the way to go.

Jeanne Cummings: Ok. We are now going to move on to the second question, and the Republicans have the opportunity to start this discussion.

Michele Bachmann: The Democrat Presidential Nominee Barack Obama, and the Senate Majority Leader Harry Reid, the Democrat Leader in the House Nancy Pelosi – all oppose drilling for oil and for natural gas. They also oppose accessing new coal supplies. They would stand by and watch as the Trans-Alaska Oil Pipeline shuts down due to a lack of needed new supplies. They're on record as 'no

new oil, no new natural gas, no additional coal, and no nuclear power'. T. Boone Pickens is campaigning to reduce our dependence on foreign oil by saying we must depend more on American-made energy, including domestic exploration of oil and gas, and renewable technologies like wind power. He said last week on *CNN*: "I say east, west coast and ANWR – get it all." Do you agree with Mr. Pickens, that we should 'get it all'?

Bart Stupak:

Do we agree with Mr. Pickens? We agree with Mr. Pickens in that we have to start looking at alternative energy sources. And let's be very clear: there are 68 million acres on federal land that oil and gas companies currently are not developing. This, if they would develop it, would produce 4.8 million barrels of oil, and 44.7 billion cubic feet of natural gas each day. Since 2000 drilling has gone up – leases for drilling – have gone up 66%, but gas prices haven't gone down any, in fact they've tripled. 81% of the total federal oil and gas reserves in the United States are available right now for drilling. What the Democrats are saying, "Let's use 'em. If you want to drill more, you have the area available. Drill. Use it or lose it."

I come from northern Michigan, we cut trees: we get five years, that's all we get, or we lose our lease to cut those trees on timber sales. So lookit: 79% of the known oil reserves in the Outer Continental Shelf are available for drilling. How come we're not doing it? On shore we've got 72% of the oil, and 84% of the natural gas resources are either fully accessible, or will be pending reviews. Only 7% of the Gulf of Mexico offshore leases have been granted for drilling – only 7% of all that we have there. T. Boone Pickens' right: we have to look at different sources. This drilling, drilling, drilling, drilling mentality have led to just an explosion in prices and no control of this market. So I would agree with Mr. Pickens: let's look at alternative sources of energy.

Earl Blumenauer:

That is, of course, categorically false in terms of the caricature you're trying to make of Barack Obama or Speaker Pelosi. They are for responsible drilling, they are for alternative energy, they have encouraged actually using the resources that are there, and have a comprehensive and thoughtful balanced approach. Just because they don't want to turn our oil future in its entirety over to large oil companies does not mean that they are not for a balanced approach.

Jeanne Cummings:

Rebuttal?

Fred Upton: You know one of the reasons I think that Congress is at 9% in the public rating (pretty bad) is that we're not tackling the tough issues. What T. Boone Pickens said I think is right on: we need a comprehensive approach because there is no single bullet that'll reduce these energy costs, whether they be electricity or fossil fuels as well. We need to do it all. And one of the problems has been this last year-and-a-half is that amendments to allow for more drilling have been stopped at the very start.

The Appropriations Committee, which is usually the first committee out of the box, and we usually do most of those bills before the month of July is over, has stopped on every single bill from getting to the House floor because they're afraid of an energy drilling amendment, where I think the votes are there. So the Speaker has stopped those votes, and we've not been able to proceed even to first base, to reaching a comprehensive plan on allowing for more supply, which will put some downward pressure at the pump.

Dennis Rehberg: The land is in fact leased, but the companies are not sitting on it – they already have 'use-it-or-lose-it'. In fact, from 2001 to 2007 protests have increased 700%. On federal properties onshore, 90% of the acreage has some kind of a barrier to development. The companies understand; they're paying a bid bonus; they're paying rent; they have a process of seismic, of mapping; they have to go through the construction; they have to deal with the pipelines: they get it, they understand. T. Boone Pickens said, "Discover as much as you can – east coast, west coast – wherever it is." He didn't talk just about alternatives – he talked about drilling as well. Now is the time to implement a comprehensive American Energy Act.

Jeanne Cummings: One more response here:

Jay Inslee: Oh I would just say that I know T. Boone Pickens, he's a friend of mine, and Denny, you're no T. Boone Pickens. But I'm just kidding you anyway. T. Boone Pickens did not spend \$58 million advancing oil drilling. He's spending \$58 million in a PR campaign to get Americans to know that if we build an electrical grid based on renewable systems, that is a secret to solving this problem. To quote him exactly, what he said was, and I will quote him exactly: the oil man, *par excellence*, said, "This is one emergency we can't drill our way out of. If we create a renewable energy network, we can break our addition to foreign oil." What we are saying on this side of the aisle, if we have a renewable portfolio standard, if we have tax breaks that are financed, if we have CAFÉ improvements, we can do what CAFÉ – what T.

Boone Pickens is suggesting, which is to build a new energy future for this country. We're up for that.

Hilda Solis: I would just like to add that in 2001, when President Bush came in, gasoline prices were at \$1.47. Now they're at \$4.00, and in my district alone in California it's over \$4.50. I think that we are responsible – we do care about drilling, but in those areas that are already permitted and leased. We haven't seen a new refinery built in a number of years, in part because the oil companies said, "It's too costly." We permitted one in Arizona Yuma, and they turned it down. So there's a collective consensus out there on the part of some of our bigger, bigger oil companies, that don't want to allow for that drilling and refineries to be setup here.

Fred Upton: Can I just say one thing? Let me respond: my bet is that if we asked all eight of us up here, "Do you support renewables?" every hand would go up. Right? Whether it be wind or solar or tax credits, and let's figure out a way that we can get it done. But one of the big problems is, do you then have to build a transmission line from those sites, and get it into the grid? And we had an amendment to do that in the 2005 Act, and I think three of the four of you, if not all, voted against siting that transmission line. It's no good to have solar or wind out in west Texas, where not a lot of people live, if you can't get it to the grid. And therefore we have to have a responsible policy that allows for the construction of those transmission lines to get it to every home and business around the country. You can't have it both ways, or you cannot have it one way – you've got to have it including those transmission lines. What do you say to your votes against constructing a transmission line that will link up those renewable sources into the American public across the country?

Jay Inslee: Fred I actually – (go ahead -)

Jeanne Cummings: Yes, please:

Jay Inslee: I actually voted to allow those corridors to go forward, and I would like you to be the first Republican co-sponsor of my bill that would truly create a national high-capacity grid system, by spreading the cost across the country. Would you co-sponsor that to really get on board this issue of – really come up with a high-capacity grid system, which we desperately need?

Fred Upton: I think that I could support it –

Jay Inslee: I'll be – I'll be back to –

Fred Upton: assuming that there's not some – some hidden provision in there –

[General laughter]

Jay Inslee: Pure as the driven snow.

Fred Upton: I'd be glad to take a look at it.

Jeanne Cummings: Alright –

Fred Upton: If it's what you say it is, I'll be on board – I'll be glad to work with you.

Jay Inslee: I'll talk to you tomorrow morning.

Moderator: Ok, with that minor miracle we'll take a little break here for a second, and I will remind everyone to do get your questions in and I'm going to turn to these questions in about five minutes. And so that gives us about five minutes to maybe hit one more question here, and then we're gonna get back to team questioning after the audience. So this time we'll tighten it up a little bit, ok?

I believe it's the Democrats' turn to ask a question.

Earl Blumenauer: Yeah, you know I listen to Denny's introduction, and was a little taken aback. Well, actually I'm glad nobody from Texas is here, 'cause they think they're a larger state than Montana. But we'll forget those 100,000 square miles. It – but listening to Denny, here, you kind of lose track of the fact that the Republicans have been in charge, railing against administrative inefficiencies – it's the Bush Administration that is in charge. It was the Republican Energy Act that was supposed to streamline that.

Let's review the bidding: Vice President Cheney's secret Energy Task Force, developed their plan in 2001, gas prices \$1.70, and then the Energy Secretary announced in 2005 that it was 95% accomplished; 2006 you celebrated the first anniversary of the passage of your Energy Act, prices \$3.00; today on the third anniversary, prices are over \$4.00 a gallon, while the combined profits of the largest five oil companies since 2002 have quadrupled, and Exxon-Mobil has spent twice as much buying back its stock as investing in new drilling. Now our question is, "Is your Administration's energy plan working? Or was it a colossal failure?"

Dennis Rehberg: Earl, first of all, in my opening I talked about representing the second largest congressional district behind Alaska. Montana is the second largest congressional district, and by far the largest population. So I represent more than anybody here, sitting at this table, and anybody in Congress.

Earl Blumenauer: I'm feeling good. I'm feeling good about that, now that we've clarified that.

Dennis Rehberg: Now the first thing I'm not gonna ever do is probably defend a bureaucrat, but you leave out one huge aspect, and that is litigation. I have a quote here, from a fellow by the name of Peter Morton in 2003, the *Wilderness Society* said, "If you bid on a lease on public lands you can expect environmental litigation." So litigation is part of the problem as well. The oil companies' profits are about 7.4%, well below a lot of major manufacturing areas. You like to add up the profits, we like to look at the return on investment.

What they do is they are also in the process of trying to improve the technologies at the various refineries and such. You're asking them to do that. My own refinery, and I have four of them in my district, the state of Montana, and one of the refineries spent almost \$500 million just to lower the sulfur content in diesel; they are trying to improve the process for benzene in gasoline; they are taking their profits and they're returning them back into technologies to make it more environmentally friendly, and that is what you want them to do. In the process let's not have government stand in the way of good economic development, energy security for America, and that's why we're suggesting, "don't tax the very people that are trying to help us out of our energy crisis."

Zach Wamp: Earl, the Energy Policy Act of 2005 was a success. In your, my friend – it was a bipartisan success. John Dingle, the now Chairman of the Commerce Committee, supported it; my friend Bart Stupak supported it; a lot of Democrats supported it because it was a good bill; it did a lot of good things. Now it did not control the price of petroleum on the world market, or the price of gas today. That is set outside of this country on the global market. As a matter of fact, oil is generated 84% by countries, and 16% by companies. 84% other countries: Venezuela, Saudi Arabia – that's how the amount that's released onto the market is determined, and what the price on the world market is. So this bill, while it was good, doesn't control the price of gas. I understand you want to blame that on them, but that really is not the issue: energy is a comprehensive – I want to come back to nuclear in a

minute, because nuclear was finally enhanced in this bill, and it's starting to re-establish itself, and it needs to be a part of the mix.

Jeanne Cummings: Representative Bachman, if you want to go ahead and make a comment, then I'm gonna let you guys respond, and then we're gonna move to audience questions.

Michele Bachmann: President Bush, not too long ago, lifted the Executive Order on the moratorium on drilling in the Outer Continental Shelf. The only thing standing between the American people and the 88 billion barrels of oil that are available to them in the Outer Continental Shelf is the Democratic-controlled Congress. They need to also lift that moratorium on the Outer Continental Shelf. My question to you is will you do that?

Earl Blumenauer: What I said a moment ago, going through the litany, is that you – you have what you wanted – you have been in charge. We've doubled, effectively, the amount of land available for leasing since 2000. I pointed out, not talking about other things they may have invested in, my point, Denny, was they have invested twice as much buying back their stock as investing in new production. Hiring –

Michele Bachmann: I was wondering if you were – I was wondering if you could answer my question.

Earl Blumenauer: Excuse me –

Jeanne Cummings: We can get to that one after the break – you can re-ask that one, but –

Earl Blumenauer: The format, as I understand it, is they respond to my question, and I respond to their response?

Jeanne Cummings: That's right. You go ahead.

Earl Blumenauer: Thank you. That they're – my point remains, that they have decided, instead of hiring new people in Louisiana, hiring new equipment, taking advantage of the millions of acres that are available to them now, they have not done that. And Denny, your point about the administrative hang-ups remains: it's the Bush Administration, it's the Bush Administration who've managed this, it's your Energy Bill that was supposed to streamline it; if you've got complaints about that, I think you ought to take it to the two oil men who are in the White House for seven-and-a-half years.

Jeanne Cummings: Ok, rebuttal, and then we'll close up.

Dennis Rehberg: Yeah, one of the quick points is, any company, whether it's an oil company or any other company that stocks – that sells stocks on the commodity, or – in New York, understands that there are a number of things that you do: you do deferred maintenance, you – *[Laughter]* - (yeah, you fix the mike). And one of the things that you do in times when there's instability, is you buy back stocks for the purposes of owning that stock, so that when you need to generate capital, you put that capital to use by reselling that stock, which they will do, generating the capital, and moving into the major projects that they're going to be able to move into, and so they have a pipeline that they have to work for.

Now, as far as your point about the 2005 Energy Policy Act: not all of the things that we wanted to do were allowed. We took great comfort in some of the things that were acceptable. Let me use this as an example: the streamline permitting process of coal to liquids, the streamlining permitting processes of refineries for an opportunity to see if we couldn't get those that just wanted to change some of their environmental standards with something – currently one of my refineries wants to make a change, and they're having to go back as if it was a new source of pollution: it's a five-year process.

The other thing that's being held up by the Appropriations Committee by votes – by your side of the aisle, is the regulations to regulate the production of oil shale. That has nothing to do with the Bush Administration – we passed the bill, and you know you played this game: you have amendments that say, “We're not gonna let you spend any money of federal dollars on the development of the regulations, even though it's passed – the bill has passed – it's a requirement; we don't give 'em the money to develop the regulations.” So Congress places impediments in the way of energy production as well.

Jeanne Cummings: Ok. This is going great – pretty lively, huh? We're now going to shift to some of your' all's questions. And I asked the members of Congress, since we kind of loosened up the two-minute rules as they had their exchanges, if we could tighten it back down a little bit so we can get as audience questions in, as many as we can do. And then we'll return to questioning by teams, and if the Republicans will go first, and so Representative Bachman, if you want to have your question start that, that will be fine, or whatever you all choose to do. Ok.

Alright, so here's one that asks: "There are" – oh, and by the way, if you have written your questions, if you've still got cards out there – now's the time, and can you guys run through, collect them one last time, and then we'll move on.

Alright: "There are some fundamental science and engineering challenges that have to be overcome before alternative energies can be cost-effective. Yet federal funding support, especially to National Science Foundation and Department of Energy, has been dismal. When will the rhetoric about alternative and balanced energy be reflective in substantive, sustained funding?"

Why don't we start on your side, and then here?

Zach Wamp:

Let me say as a twelve-year member of the Appropriations Committee that this is a shame, and both parties are responsible for it, because I saw the Clinton budgets not doing enough in these programs, I saw the Bush budgets not doing enough in these programs, and the price points we're add for gasoline and heating oil and electricity today calls the people to say, "Get on with it." And they would ask us to invest in these priorities and both administrations that I've served under have not done enough, and the Congress tries to ramp it up, given the budget constraints that we're under. But frankly there is bipartisan support in the Congress through both administrations, through both our being in the majority and them being in the majority, to do just that, and then finally the American people are saying, "Yes." Because unfortunately cheap energy caused them to sit back and say, "No, this is not a priority." But expensive energy causes them to say, "Yeah, I want you to invest in next generation energy research and technology."

Fred Upton:

And I would just add that Verne Ehlers, a Republican from Michigan, has been a leader on a bipartisan basis to increase the money for NSF and he has been a tiger in terms of getting co-sponsors, and I can absolutely guarantee that Bart is a co-sponsor of that, as I am, to try and increase that research.

Bart Stupak:

Well there's no doubt that we have put more money into research, but every time we tried an opportunity, such as the Renewable Energy Tax Credits, paid for by taking Big Oil tax breaks away, we get deafening – every one of you guys voted against it. That's \$18 billion over five years we can put into these programs. 18 billion over five years. Even President Bush said, "If you're making more than \$50.00 on a barrel of oil, if you can't make

money then, you shouldn't be in the oil industry." Why do we continue to give an industry with \$40 billion profits tax breaks?

Dennis Rehberg: Let me answer that –

Bart Stupak: Tax breaks: that's where the money goes. It was vote No. 84 on February 27th, 2008 – we've been trying to do that for two years, you guys voted against us every time. Lookit – we can't continue to borrow the money. See ya'all *USA Today*? What's the No. 1 headline? Deficit: how it's strangling this economy, along with high energy costs, we have to do something. We believe in paying for programs, we're just not passing it off to other generations, and we can get the energy independence by investing in renewables, but let's put the money where it should go in these renewables.

Exxon-Mobil, with their big profits, you know how much they put in? \$10 million on \$37 billion worth of profits – that's less than a quarter of 1%.

Jay Inslee: The question –

Bart Stupak: Let's really put the money where it belongs.

Fred Upton: Alright let me –

Jay Inslee: The question is, (we have a few more minutes, then _____) the question is when will this policy change? It will start to change on January 20th, 2009, when we have a President of the United States who will put his money where his mouth is, who's pledged to put \$18 billion into this renewable energy. Now I gotta tell ya: I love some of the things that my colleagues have said from the Republican side about the need to invest in clean energy. But when push comes to shove, they have not stepped up to the plate and take a cut to reverse our dependence on foreign oil. It has been "feed the meter – feed the corporations." That has been their desire, we gotta change that starting January 2009.

Fred Upton: Bart, there's a reason why the Europeans are paying \$10.00 and \$11.00 a gallon for gasoline at the pump. They tax it. If you increase the taxes on the oil companies, they're just going to pass that tax through, and consumers will pay even more. Bring up the Wamp-Inslee Bill –

Jay Inslee: No one is saying put taxes on the oil companies –

Fred Upton: That's what you're going to do if you have oil profits tax –

- Jay Inslee:* Why do you continue to insist on subsidies –
- Fred Upton:* That's what you're going to do?
- Jay Inslee:* for oil companies that have made more money than any other company in the universe, and in other galaxies, - there, there, the –
- [Laughter]*
- Fred Upton:* (Yeah, yeah)
- Jay Inslee:* They have so much money, and they have not shown a willingness to re-invest it. It'd be a little easier to justify a subsidy if you put more than ¼ of 1% into renewable. I mean, how can you ask these good people here in Louisiana and elsewhere to continue tax subsidies with oil at, what, \$125.00 a barrel today? How – how – why would you do that? –
- Dennis Rehberg:* They are not oil subsidies –
- Jay Inslee:* That's not responsible taxpayer –
- Dennis Rehberg:* They are not oil subsidies. What we did was we –
- Jay Inslee:* You get a subsidy every time you drill.
- Dennis Rehberg:* We created incentives for them to go out in places that were very expensive to drill. When you look at offshore drilling, just off the Louisiana – you're gonna spent \$100 million, perhaps, on a dry hole – you're gonna spend as much as \$2 million on a platform just to complete it.
- Jay Inslee:* So you're gonna pay them for incentive to go drill? Isn't \$140.00 a barrel enough incentive to drill? You need more incentive? You need these taxpayers money?
- Dennis Rehberg:* They don't get – and see that's unfortunately where the Democrats don't listen, because they continually want to talk about the fact that the American oil companies are the ones that are getting rich. They're paying the crude price as well: of every dollar that comes in, 70% of it is crude oil – 70%. They're paying the same price. And what we're saying is –
- Hilda Solis:* How do you respond –

Dennis Rehberg: Is we want a well-balanced energy policy that gives us the opportunity – think of some of the exciting technologies that can exist in the kind of the things that we depend on now: coal. Do you know what’s neat about coal? Coal not only creates coal, but it also can create natural gas (excuse me – synthesized gas), but it can also create gasoline and diesel. Just from coal we have a 250-year supply of American coal, and American natural gas in our offshore. And it doesn’t have to be an either-or: we want renewables, we want the alternatives, we want the conservation. But we’re not – we’re suggesting is: don’t stand in the way for the American public to have cheap gasoline. And how do you have cheap gasoline? By weaning yourself away from foreign dependency, and how do you do that? By actually supporting the people that are trying to create an energy alternative using coal in America.

Hilda Solis: I think we have a bigger problem here, because we’re seeing that last year alone, Exxon-Mobil gave five top of their executives over \$76 million, and only \$10 million of their entire profit went into renewable energy. I can’t believe that the public would agree that somehow all that money is going abroad and not staying somewhere. It’s in somebody’s pockets, and it’s at those folks that are owning the stock, and those folks that are running these businesses. And they don’t care about the consumer paying \$4.00 a gallon – \$4.60 in my district. People are losing jobs, New Orleans is hard hit – we need to create green collar jobs, we need an investment here in our community colleges and in our community-based organizations that can work to help to revitalize communities across the country right now that are suffering from high unemployment and this recession that was created by a Republican-dominated administration.

[Audience heckler question]

Jeanne Cummings: Alright. Alright. We’re gonna move to another question from the audience (and it won’t be that one – they come on cards!).

Dennis Rehberg: The interesting point about that is Alaska does want to drill off their coast, and there are certain in the United State Congress that won’t let ‘em. So “We don’t want it in my backyard,” but they want it in their backyard, but we don’t want ‘em to have it in their backyard? That doesn’t make sense from a policy standpoint either.

Hilda Solis: We have this in California, and so is Santa Barbara, and let me tell you: there are drills that are there.

Dennis Rehberg: But ANWR is in Alaska, and they want to drill.

Hilda Solis: Well we also have the National Petroleum Reserve that's there that has – we have 68 billion – right now.

Jeanne Cummings: Alright, we have a question on offshore drilling, which is an intriguing one: it says, “Since most of the offshore coastal areas have been under Congressional moratorium for almost thirty years, do you believe the resource-based numbers for oil and gas in those areas are still accurate?”

Michele Bachmann: I believe that it's very important that we have more work done – seismic work – to understand exactly what those reserves are. The last numbers that we have are about 88 billion barrels, and what I have understood with my conversations with people in the federal government, those are probably very, very, conservative estimates. There was just a recent geological – United States Geological Survey that said that they estimate now perhaps 90 billion barrels in the Arctic Region, at least 1/3 of that amount would be on U.S. sovereign territory. So, contrary to popular believe, there – it appears that there are many more reserves available than we – when we formerly thought possible.

Dennis Rehberg: Oh we don't get the whole two minutes?

Jeanne Cummings: Oh I'm sorry – yes, go ahead.

Dennis Rehberg: Ok. No we don't believe that. Let me use as an example the Bakken Formation in Montana: most recently the United States Geological Survey –

Jeanne Cummings: I'm sorry – you think the numbers are not accurate?

Dennis Rehberg: The numbers are not accurate – that it is in fact a greater reserve than what is coming out. The Bakken Formation – the U.S.G.S. established, over the years a potential reserve of a little over 100 million barrels; under the new technologies of horizontal drilling, where they go down, and then they go across and then go as far as two miles, and then you go criss-cross, and criss-cross and such – they have now revised their estimate in the Bakken Formation to upwards of 4.3 billion barrels – from 100 million to 4.3 billion barrels. And they will tell you, off the Louisiana Coast and the Mississippi area of Alabama, that they've found three to five times more oil reserves when they got down and started exploring, than the U.S.G.S. believed was there in their estimates.

Zach Wamp: Well, and we cannot afford to continue the Congressional 30-year moratorium on OCS drilling. The President lifted the executive side; the price of oil came down \$20.00 a barrel. All we have to do, and Visclosky is a Democrat, Holden is a Democrat, Kagen is a Democrat, that have asked the Speaker now to bring this up so they can vote to lift the moratorium in the Congress, so that we can do forward, because the price will come down further. It's frankly a no-brainer at least to leave it up to the states as to whether or not they can explore in the Outer Continental Shelf.

Jeanne Cummings: Ok, you all go ahead with rebuttal.

Bart Stupak: I think the question – I think the question was, “Do we believe the government statistics on the amount of oil and gas in the Outer Continental Shelf. Well the numbers I've been citing in my opening statement where I talked about 82% of the natural gas in the Outer Continental Shelf is not being tapped, 79% of the oil is not being tapped; and those figures come from not just the Department of the Interior, but also from the Minerals Management Service, Comprehensive Energy Inventory of the U.S. OCS Oil and Gas Reserves. 81% of it is still available for drilling. Here's the Outer Continental Shelf – just oil: again, the source is the Minerals Management Service Comprehensive Inventory of U.S. OCS Oil and Gas – these are all 2006 and 2008 charts. Again, 79% of it's available and not being drilled in.

There's plenty of it out there – there's plenty of it out there. Let's go do it. But you have to drill responsibly in leased lands. We're not going to continue to allow oil companies to go and lock up precious tracks of oil and gas and sit on it. If they're not going to drill at \$140.00 a barrel, then when are they gonna drill? If you're not gonna drill, get out of there.

Jeanne Cummings: Ok. Ok. Actually I'm gonna move us to –

Jay Inslee: We're gonna use 24 more seconds –

Jeanne Cummings: Ok – I'm sorry.

Bart Stupak: - more things. There's a National Petroleum Reserve in Alaska. It's been sitting there since 1923. Warren G. Harding set it aside as we were converting the Navy from coal to oil use. How come we're not drilling there? You don't have to go drill in a wildlife preserve; drill in the National Petroleum Reserve in Alaska, where's there known sources.

Jeanne Cummings: Ok we're gonna move on to one last question, and then we're gonna get back into the team questioning. This is from the audience, and the person asks: "Besides alternative sources, how about excessive demand on energy in homes cars? Excessive heating, air conditioning, the way buildings are designed – what proposals do you all have to deal with excessive use, as well as the search for fuels?"

Earl Blumenauer: One of the differences between Republicans and Democrats is that we actually are serious about making it happen. The Bush Administration missed 34 consecutive deadlines for appliance efficiency improvements with their Department of Energy. Their budgets that now my Republican friends say they are in favor of (and we've got a friend here on the Appropriations Committee) – they cut renewables. It was not a budget priority. So absolutely: we need to give consumers more choices about how they move, how they live – we ought to have higher standards, we ought to enforce them. That's part of why we had to fight them to improve fuel efficiency for automobiles that were stagnant for 32 years. The difference is now they "say" they are in favor of it; they have been voting against it for the last twelve years – we are going to do it.

Jay Inslee: We are the Saudi Arabia of energy efficiency, and it would be nice if we had a bipartisan consensus about that. Unfortunately, people have wanted, on the other side of the aisle, to put their money into the oil and gas industry, rather than into the efficiency and conservation industry. And if people think like Dick Cheney, who said famously: "Conservation is just perhaps a moral virtue, but not an economic policy." How boneheaded a statement.

If you look at the McKinsey report that analyzed all of the things that we need to do to solve global warming and get us a future of energy security, 35 to 40% can be accomplished through efficiency in our homes, in our offices, in our automobiles. But unfortunately my Republican colleagues who keep saying this wonderful slogan that falls trippingly on their lips, that "we are for all of the above," when it comes to efficiency and conservation, they are for 'none of the above' when it comes time to voting. That's why it took Democrats to pass the first meaningful efficiency standards in air conditioning, in heating, in cars, in trucks, in 50 years. And we got that job done – I hope someday they'll start voting the way the rhetoric is.

Jeanne Cummings: Ok, rebuttal?

Dennis Rehberg: - let Zach take the first minute, and I'll take second.

Zach Wamp: Yeah and I voted for those efficiency standards, and this President signed them into law, and that's really a bunch of bunk. I like these guys, but let me tell ya: we incorporated the Energy Efficiency Cornerstone Act into EAct – the Energy Policy Act, again, really ramping all this up, and here's our state policy. At the National Press Club, "conservation is not for wimps – it's for warriors." Not everybody in this country is gonna put on the uniform of our Armed Forces and stand between a threat and our civilian population, but every American can help us on this energy problem, from a national security standpoint, by conserving and weatherizing. And we can take the efficiencies a lot further out there and wake up the consciousness of America.

And they don't have an exclusive on this issue. Just because we are on the offensive now, on everything including conversation first, efficiency second, new technologies third, and more capacity – and that's not where they will go. They're not saying, "Oh you've never been for this," that's poppycock – we're for all of this.

Fred Upton: Let me just finish by saying 30 to – our nation is gonna require 30 to 40% new energy – new electricity sources – by the year 2030, because of an expanding population, a whole host of reasons. We haven't built a new nuclear plant in some 25 years. We've seen the price of coal worldwide double in the last year. Natural gas has gone up to 50% in the last year; it's expected to go up another 100% in the next year and maybe even triple within the next couple years, and yet we've done nothing in terms of new supply, new sources of electricity, that our country is gonna need. And if we don't wake up soon, the theory of supply and demand, which has clearly impacted the price of gasoline at the pump, is gonna severely impact the price of electricity as well. I was in Detroit just last week; I saw the new GM Volt car. Exciting! It'll go 40 miles on a single charge of electricity – a six-hour charge. The battery'll last ten years, it'll be priced in the low 40s and will be in the showroom by the year 2010 – two years away from now.

We need to provide tax credits that will allow the consumer to purchase that vehicle, because – for hybrids, which is gonna be a little bit more than the average car. But as we move to that, which is exciting, we're gonna also have to have new sources of electricity. And if we don't have those nuclear plants, if we don't have those clean coal plants in reserve, to provide that electricity, those rates are gonna go ever so much higher, we'll have perhaps

brownouts, a whole number of things, and we've gotta get our act together as a nation to move forward on that issue.

Jeanne Cummings: Ok we are now gonna return to the team questioning. I'm sorry we didn't get to too many of your questions, but I think it was a broad discussion, and in looking at your-all's questions, many of you all got answers even though your question didn't get asked.

And so it is now the Republican's opportunity to launch a discussion with their question.

Michele Bachmann: The energy debate comes down to a fairly simple concept of whether or not we will have energy in American be illegal or legal? We are the only country in the world that has made it illegal to use American energy assets, whether we have banned drilling in ANWR, whether we ban drilling in Outer Continental Shelf, whether we ban drilling in perhaps 94% of onshore areas, as well as nuclear power plants, as well as refineries. All of these areas have become illegal. What the question is for us, very simply, is whether or not we will make legal what the rest of the world has made legal. Will you agree with us to lift the Outer Continental Shelf moratorium that the President has already lifted, and will you agree to make legal energy production in the United States?

Bart Stupak: Well if the President lifted it, then there's no reason for us to do anything, right?

Michele Bachmann: Congress also needs to agree –

Bart Stupak: Well as she keeps saying, "The President lifted it" – the President didn't do anything.

Michele Bachmann: Congress also needs to –

Bart Stupak: He put out a political statement saying, "Congress – do it." Lookit – how many times we gotta say it? Democrats are for drilling. You're gonna drill responsibly. Let's the leases you have. 79% of the oil leases in the Outer Continental Shelf are not being drilled on; that's about 44 million acres; we're drilling on about 10 million acres. For natural gas, 79% is there – it's not being drilled on. You want to go to ANWR – you keep bringing up ANWR; what about the National Petroleum Reserve in Alaska which has proven reserves, has been around since 1923, Warren G. Harding, and you still can't find your way there to drill? Instead you want to go on a wildlife preserve and drill. And in the 2005 Policy Act, I put in the bill that you're not gonna drill in our under the Great

Lakes for oil and gas, because you know why? It's just not worth it. We've had seven wells up there for thirty years, you know how much oil that's given us? Enough to fuel the country for 35 minutes. There are just some areas that are just environmentally sensitive, the technology isn't there. We just shouldn't be drilling everywhere because someone thinks there's a straw of oil there. And then why don't we drill in those areas?

Michele Bachmann: My question is a 'Yes' or 'No' question. My question was a 'Yes' or 'No' question – we didn't get an answer.

Jay Inslee: - negotiator – you need a negotiator: the clock says 45 seconds, Bart has some brilliant things he'd like to say.

Michele Bachmann: Yeah, but we'd like a 'Yes' or 'No'.

Bart Stupak: My question is 'Yes', Democrats are willing to drill responsibly; and we will continue. We know fossil fuel – we can't make the switch –

Michele Bachmann: That wasn't my question.

Bart Stupak: tomorrow, but 'use it or lose it' – why do we continue to drag on? If you're not gonna drill when it's \$140.00 a barrel, what is the magic number you'll finally start drilling? Why do you tie up our resources, Big Oil? So that we can't get to 'em. Let's drill – let's put the oil forth; but Boy, you know what? We're gonna do it responsibly.

Earl Blumenauer: This Never Never Land, that somehow you throw in nuclear on that: the decision not to build a nuclear plant is made by the private sector. They haven't done it for over 30 years because it doesn't pencil. That's not any Democratic strategy, that's not any rule or regulation – it's because it was too expensive, too risky, the private sector didn't want to do it. It's an example of this Alice in Wonderland approach, that somehow having responsible regulation, responsible rules, and priorities, is somehow deficient; I think it's not.

Michele Bachmann: Last weekend when I was at the National Renewable Alternatives Lab, we also went up to ANWR and we spoke with officials there. I had heard this question again as a freshman: I wanted to know, "What is the answer? Why aren't we drilling on these leases?"

And what I was told is that there is not one acre – not one acre of land currently under lease that is not in some stage of either

production or exploration. Drilling is one part of the lease point, but there are eleven different points in the ten-year lease when lawsuits can be filed, bringing about delays. Trust me: people who are purchasing these permits to lease want to be able to drill; but they have to go through every hurdle in the book before they can start drilling. The fact is there isn't one acre of lease that is not in some stage of exploration or production.

Also with ANWR: one thing that we have not yet talked about is the Trans Alaska Petroleum Pipeline. This is very serious, because this pipeline, when we opened up drilling, was pumping 2.1 million barrels per day. Today it's down to 700,000 barrels to day. When we get down to 300,000 barrels going through that pipeline, that pipeline will no longer cease – that is American's energy lifeline, and when we get to 300,000 barrels, that will cease. We have a mother lode of at least 10.5 billion barrels sitting 74 miles away from the pipeline. 74 miles – that's all that is between the American people and increasing the reserves 50%. We are currently drilling in the National Petroleum Reserve, that is occurring, but we need to go where the oil is – the oil is in ANWR, and it is convenient. If we do not have that oil we will lose one of the most – one of the greatest modern miracles of engineering that we have – that's the 800-mile Trans Alaska Pipeline. We can't let that shutdown.

Jeanne Cummings: Rebuttal?

Bart Stupak: Let me just jump in on that: as Chairman of Oversight Investigations we've held two hearings and more are continuing on the Trans Alaska Pipeline. 'Cause when the oil comes down it should average 800,000 barrels a day – it's down to 400,000. Why? Because ARKCLE, and now BP owns it, have not maintained it. They've had to shut it down; they've not pegged it; they falsified the records. They paid record fines to the Department of Energy for not maintaining the most strategic oil pipeline we have in this nation. They've not maintained it. They falsified the records. That's why you see all these investigations going on up in Alaska. Our committee has sat, and been there and gone through it.

So if you're gonna move into more oil, first of all you got to fix the pipeline and get it up and running; secondly, go where the oil is – the National Petroleum Reserve in Alaska, been sitting there since 1923, let's go drill there – it's proven reserves, we've known it for 85 years. Why don't we do it? And you only have to put on a

small section of pipeline to connect with Trans Alaska – less than even at ANWR.

So – I mean – I don't know why you keep insisting on drilling where there are not known reserves at ANWR, where you've got a field sitting there for the last 85 years that has over 10.5 billion barrels of oil sitting there, and we don't want to do it. And why aren't the oil companies taking care of the most strategic oil pipeline that we have, where we've gotta close it down – we can't move enough oil through it because it's plugged. They haven't pigged it; they falsified the records. That's what we're dealing with with energy out of our most strategic fields –

Michele Bachmann: The information that we got – the information that we got last week contradicted everything that you said. The information that we got onsite, in Alaska, from the federal officials, said that we are getting 700,000 barrels a day, and the problem is the fact that the federal government is prohibiting the drilling from going on in that area, so we can bring more oil online. It is 74 miles to get to ANWR. It is – it is – it is more than twice that long, three times as long, to get to the National Petroleum Reserve, and we are currently drilling in the National Petroleum Reserve, however, only 2% of the oil in the entire southern part of – only 2% of the known oil is in the entire southern part of the reserves.

Oil is in ANWR, and the oil that is available in the reserve is oil that we want to be able to tap and bring online. But let's face it: we are in an emergency today. The American people are suffering today. The fastest way to bring down the price of gasoline at the pump would be to open up ANWR, literally within three to four years, if we fast-track we can have new oil, up to 2.1 million barrels a day, coming down that pipeline, and we can bring down the price. That's the problem. The problem is that the American people aren't seeing that Congress is serious about opening up new energy supplies.

Bart Stupak: With all due respect –

Jeanne Cummings: After this response we're gonna move on to closing.

Bart Stupak: With all due respect, where you get your facts on what's happening in Alaska is “somebody told you”. That's why when we do committee hearings, people have to raise their hand, go under oath, so we have the facts – it's not based upon speculation, assumptions – they're not in the record. So your facts on Alaska is just not correct. Secondly, even if you open up ANWR tomorrow, it's at

least ten years before you're gonna see one drop of oil. How's that gonna lower our energy needs, or prices, right now today?

There's two things we should do: 1) release the oil from the SPRO – we can do that immediately, and probably see the price of oil drop by a third. It was done in 1999, in 2000 – even George Bush did in 2005. We can do it – we don't hurt our national defense. Secondly, let's get the speculators out of the market. Once again at our hearing on June 23rd, when they raised their hand and took the oath, the experts testify, "If you would get these speculators out of the oil market, the unregulated markets called ICE, Inter-Continental Exchange, the Dubai market, and we could lower the price of a barrel of oil, they said from 30 to 50 cents in 30 days. 30 to 50% decrease in the price of oil.

That's what we could do for this country that's immediate, not this drill that's gonna take ten years to develop. And we're gonna spend another \$57,000.00 on gas, waiting for the first penny of savings in a place when we've got 80% of the Outer Continental Shelf and elsewhere available right now – already leased, already environmentally cleared. Do it: drill it, use it, lose it.

Jeanne Cummings: Ok, well this is obviously an issue that everyone is passionate about, and members on both sides care very much about, and have learned quite a bit about, and are working hard on in their respective caucuses.

We are now gonna move to our closing statements: the Democrats will go first, and the Republicans will close things out.
Representative Blumenauer? Alright. Ok, Representative Inslee:

Jay Inslee: I'm Jay Inslee from Seattle and first I want to thank my Republican colleagues for joining us, but I want to say a special thanks to the people of New Orleans, who showed me the true meaning of grace and courage during Katrina. I went to the Astrodome just to help in some way. And the reason I flew down there is because I was so angry. I was angry at federal inaction to a known problem. And that is why I'm angry today as I sit here, at the Bush Administration's failure and inaction on energy.

We do not agree with our Republican colleagues that the Bush Administration has done a heck of a job on energy. And the reason that we do not believe that is we believe this country deserves an energy policy fitting for a new Apollo project that John F.

Kennedy suggested is worthy of this nation, rather than some lesser thing to harness to the old technologies of the past. We are here to say that if we raise our sites like Kennedy did, we will put our intellectual fervor in a place that can solve this problem, which is technological innovation. And we're the folks who are saying, "We need a little more Kennedy right now, and a little bit less Bush." That's the principle message we Democrats bring to New Orleans.

Now I am glad that some of my colleagues, who are my friends, have joined us with some rhetorical flourishes about 'green energy'. But let me suggest that we need more than green-washing. We need their votes. We need their votes that will truly embrace 21st Century technologies. That's why I was disappointed when they voted against the development of lithium ion batteries for our plug-in hybrid cars, when they voted against _____ - all of them against the increase in fuel efficiency standards - we stand for that improvement. I was disappointed when they voted against growing wind and solar energy; when they voted against a renewable energy standard to have 10% at least of our energy from clean sources. We Democrats stand for that improvement.

I was disappointed when they voted against enhanced geothermal power, when they voted repeatedly against extension of these tax credits that were paid for, instead of borrowing money from China, we take a different view: we need action, we need boldness. We should embrace the optimism of new technologies, not just the pessimism of 19th Century oil alone. We should embrace the promise of science, rather than electoral advantage, and I agree with T. Boone Pickens when he says we cannot drill our way of this problem.

Now the question is not whether we drill, it's where we drill. We know we're going to be drilling for the foreseeable future awaiting the development of these technologies. But we are saying you should drill first in the places that are leased and safe to drill, before it's exposing us to the environmental challenges off of our shore. And let me just make one geological fact we haven't mentioned: we could drill in Mount Rushmore; we could drill in Yellowstone National Park; we could drill in the south lawn of the White House, but we'll still only have 3% of oil reserves of the world, and we use 25% of the world's oil.

We need to start embracing the only true infinite energy source we have in America: and that is our intellectual talent. We have got to stop being so fixated looking below our feet, and start looking

above our shoulders. And the Democratic approach is to have optimism in the intellectual talent and creative ability of Americans, just like we had in the 1960s in the Space Race, because the future of the planet depends upon it.

If we use all of our oil, we will cook this planet. And we need a new source of energy to reduce the price of fuel (and I'll tell you why we need this – it's not just an environmental reason). The fact is, until we have a choice of fuel for our cars, we will be slave to the people who really have the oil, which are the Saudi Arabians. I look for the day when we're free from that addition.

So we are here to say simply this: we should reject George Bush's failed policy of continued addition to oil. We should embrace an American destiny which is to lead the world to a clean energy solution. Where we can grow green collar jobs, like the Osra Solar Thermal Company in Florida, the Interdell Lithium Ion Battery in Indianapolis, the Ultrarock geothermal company in Seattle; that's where we're going to grow millions of jobs, that's how we're going to build our economy, that's how we're gonna lead the world.

So I believe together, and I look for the _____ day where we are together on this; maybe it'll be after January 20 when Barack Obama is President of the United States. Maybe that'll help a little bit. But when we do that, we will launch this new Apollo Project. We will realize this great destiny of this nation, and in a tribute to our gracious host, Tulane University, who I know who's mascot is the Green Wave, let me say that Democrats stand for a Green Wave of green collar jobs for a new clean energy future of this country. Thank you very much, and let's go get 'em.

[Applause]

Zach Wamp:

Well I, too, want to thank the people of New Orleans. It's been a great couple of days down here, thanks for your hospitality – it's a very special in the history of our country, and a very special place today, especially based on what you've been through, and to all the hosts for this debate and to all of our participants. Listen: neither party has an exclusive on integrity or ideas. And all of these people are actually my friends: Bart Stupak is my best friend. Anywhere. For twelve years I've shared a house with him. Ms. Solis just took my wife and I on a Congressional trip to Kazakhstan – her and Sam are great people. Jay Inslee and I won the two-on-two Congressional basketball contest together as a team. I ran five miles on the streets of Portland, Oregon with Earl

Blumenauer to see the city that he is rightly so very proud of, and we should work together, and we do work together.

But let me tell you that votes are very important. At the end of the day, when it gets down to it, writing books, participating in debates, saying things doesn't get it; it's how do you vote in terms of enhancing our competitiveness as a nation? And these votes have been very important. The fourteen years I've been in the House we've cast twenty-four votes to increase oil and gas capacity in this country. And 85% of the time, the Democrats vote 'No', and 85% of the time Republicans vote 'Yes', and when we did have a large enough majority to send oil capacity to President Clinton he vetoed the bill. And I gotta tell you, the consequences of not having that new oil and gas capacity today are very painful for the people that we represent. Votes have consequences. Policy positions and politics becomes very serious when you don't do the right thing for a long period of time. Or, when an excessive, extremist agenda gets in the way of the policy-makers doing the right thing.

When ANWR came up in '96 it was not popular – it was unpopular. So Clinton vetoed it. Today those same numbers are completely the other way around – 70% of the people want us to go after new oil and gas supplies. This is the defining difference between the two parties: we didn't come to blame or to point fingers, we came to offer solutions for today and tomorrow. Bush and Cheney are going – I'm talking about where we're going in the future, together as a nation; our conference says, "We want new oil and gas capacity. We want an 'all-of-the-above' approach.

We know that the nexus between national security, the energy problems we face, and the environment, is the most important policy decision of our generation. Nobody's talked about national security: if we don't diversify our supply, if we don't go after new domestic supplies, Democrats, if they shut down the Strait of Hormuz over a geo-political dispute, we are hurting. We're not talking about \$5.00 a gallon gas, we're talking about no gas. No gas! We need to diversify our entire supply on all energy, not just gas.

We haven't talked enough about nuclear today. We've got to have a new nuclear. France, 81% electricity from nuclear; what do they do? They don't bury their waste – we're trying to do that – they reprocess it; turn it back into fuel. Energy – about 80% of it's turned back into energy. We can do the same thing. But we have to do it. And you can say, "Oh, there's nothing that prohibits it,

Earl,” and you’re right. But there are no Republicans trying to stop it, and Ed Markey, the Chairman of their Global Warming and Climate Change Committee, is the most anti-nuclear activist in American politics today.

Their party is, “No,” we are “Yes.” We are more – they are less. They’re for higher prices, we’re for lower prices. They’re for higher taxes, we’re for lower taxes. These are sharp contrasts at a critical moment in the history of our country. We’re not gonna pick winners and losers. They did that in California and said, “You have to use a certain amount of electricity from these sources.” Guess what happened? The lights went out! We can’t tolerate the lights going out: brownouts, blackouts – if you don’t use all-of-the-above, supply shrinks, prices go up. This is a supply and demand issue.

Ladies and gentleman, we – neither party has a whole lot to brag about today, but this is a central issue of the future on whether or not we’re going to prepare ourselves for the challenges of the next generation. We have to have more capacity; we have to implement an ‘all-of-the-above’ strategy. They talk about three or four or five years until some of the new capacity is online: let me tell you, the demands are gonna be a whole lot higher three and four and five years from now than they are now. If you don’t get on with it, we’re actually going backwards, and China and India and these other countries are growing, they’re placing more demands on the world market, and with or without the finger pointing on oil and Bush, we have a problem that we as Americans have to go forward together to do together.

And I close with this: they don’t want to drill; they’ve opposed this all year. And I don’t want to blame anybody, but the truth is for months now the Congress is waiting for votes on new capacity. They know the votes are there. This is a free country, with elected leaders that have an obligation to bring up the votes so that we can move it forward, and we want that this week, the American people want that this week. I went through the magnetometers at the airport yesterday, and the lady said, “Drill now – pay less. We want it.” I signed the petition. Get on with it – didn’t even have any idea I was coming down here. That’s what the American people demand. We are responsible for the environment, want to do it in a friendly way. We want green too, Jay, but we want green for U.S. jobs and exports in new technology and do it with this robust free enterprise system we have, and not with a bunch of taxes, and not with a bunch of regulations. And you can’t limit your supply, or you’re gonna pay more. That is a sharp contrast

between the two parties; let's go do it, and let's do it now. Thank you all.

[Applause]

Jeanne Cummings: Well thank you all. The audience has been great. I know that you all feel as passionately about this issue as the members of Congress do up here, and so I thank you for waiting right here until the bitter end to finally be able to express yourselves on both sides. And thank you Tulane.

[End of Audio]