the seal of the U.S., pencils, pads, all kinds of things, free of charge.

I had just come back from approximately the first day of school here in the U.S., and I had just been to a teacher event at one of my local schools, and the teachers were complaining that the pencils and paper were not provided there, and they had to actually go out, the teachers, and buy pencils and paper and pads and crayons for the children because they were not provided at our public school in my district.

The pride that was on the faces of my Republican colleagues for all the wonderful things we were doing in Iraq, and I kept saying that was very nice, but we do not have those things here in my district. It is not right. It is not fair. I am not saying again that we should not be helping the Iraqis, but it is just not fair that they get this help and we do not.

Mr. DELAHUNT. Mr. Speaker, how about helping our kids? How about helping our elderly? How about helping our disabled? How about protecting our cities? We talk about a strong America. A strong America begins at home. That is really what it is about. Right now, given what is happening to our economy, given all of the problems that are besetting our Nation, it is time that we focused on the United States of America, all of us together. Together we can make America a better place for every citizen.

□ 2300

Mr. RYAN of Ohio. Mr. Speaker, reclaiming my time, the decisions that we need to make have to be focused on what is best for the country, not what is best for one's political party; and I think that has really been the problem. It seems to me that every decision that is made down here by the Republican majority is what is best for the Republican Party, not what is best for the country. And it is time we start choosing the country over the party if we want to have some success.

And just go through everything that has happened. Everything that has happened with the majority leader has been an attempt to secure power for the party and not do its best for the country. Let us look at the CIA leak and the corruption that is going on. To out a CIA agent because their husband disagreed with them on the war is choosing their party and protecting their party over what is best for the country.

And to make cuts in programs that would invest in the American people and lead to economic growth instead of listening to Cal Thomas, who says cut for the richest people who are getting corporate welfare, they do that because they could then raise money for their party. And if the Republican majority keeps choosing their party over the country, then the country becomes weak; and a strong America starts right here at home.

Mr. DELAHUNT. Mr. Speaker, if the gentleman will continue to yield, can I pick up on the corruption theme. I am the ranking member on a subcommittee of the House Committee on International Relations. Its title is the Oversight and Investigations Subcommittee. We have not held one hearing after repeated requests to exercise our oversight responsibility into an unprecedented level of corruption in Iraq.

In Iraq, billions of dollars are missing. In fact, the defense minister of Iraq made this statement, that this is the greatest robbery of all time. There is in excess of $1 billion missing from that single ministry. I guess there was one contract where they bought some tanks from Poland that were 28 years old, 28 years old, to the tune of $230 million; and they cannot find the contracts. And the current Iraqi defense minister is saying all we have are scraps of paper and scraps of metal.

I found it particularly interesting listening to Fox News where there were two colonels who were very hawkish in their attitudes that described the situation in Iraq in terms of corruption as totally out of control. That is the biggest scandal of all, because here tragically today was memorable in the reality that there have been 2,000 American servicemen killed; and we all, Republicans and Democrats, join our fellow citizens in our sympathy to the families of those 2,000 as well as to the tens of thousands of American service men and women and others including Iraqi civilians and Iraqi members of their defense force that have been wounded and maimed for life.

But to think that this rampant corruption going on under the auspices of the Coalition Provisional Authority is not being reviewed and examined by the subcommittee with jurisdiction is absolutely an abrogation of our responsibility. They are afraid of it. They will not look into it. They will talk about it, but it is absolutely crying out for review.

Mr. PALLONE. Mr. Speaker, if the gentleman will continue to yield, one of the things that the 30-Something Group has been talking about, and it relates directly to what he said, is this idea that there should be a bipartisan commission in the aftermath of Hurricane Katrina. And it is the same principle that the gentleman from Massachusetts brought up, that they just do not want any kind of investigation of themselves.

The Republicans control the White House, the Senate, the House of Representative. They know there are problems that came out of Hurricane Katrina. They know they are responsible. They do not want any investigation by a bipartisan commission because they do not want an investigation of themselves. They are afraid of what it is going to reveal. And that is the problem around here. They do not want oversight. They do not want accountability. They do not want any kind of effort on a bipartisan basis, which would happen with the gentleman's subcommittee, because it might reveal that they have basically created a lot of problems and screwed up on a lot of things. That is what they are against.

Mr. RYAN of Ohio. Mr. Speaker, reclaiming my time, that is another example of the extreme Republican majority in this House choosing their party over the country. They do not want to find out what the truth is, although that would be best for us to fix the problems that we had with Katrina and then be able to respond to the next problem that we may have, whether it is a terrorism attack or another natural disaster. We would then educate ourselves.

But to not give the Democrats subpoena power to try to fix the problem because they hired all of their cronies in the top 8 or 10 positions in FEMA is, again, what is best for their party, not what necessarily is best for the country. And the Democrats are providing, time and time again in committee, on the floor, with amendments, with ideas, whether it is lend the money, whether it is reduce the cost for prescription drugs, whether it is strip the billions of dollars in subsidies that went to the oil companies, the Democrats have always provided an alternative, a change, to take the country in another direction. And that is what the Democrats are for.

Let me real quickly give the e-mail address here: 30somethingdems@mail.house.gov.

I would like to thank our dual Member from Massachusetts and our Member and a half from New Jersey. With that, Mr. Speaker, I say this is not your father's 30-Something Group.

ENERGY

The SPEAKER pro tempore (Mr. BOOZMAN). Under the Speaker's announced policy of January 4, 2005, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for the remaining time until midnight.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise tonight to talk about what I believe is the number one issue facing America. It is the energy issue. And the one part of our energy debate that, in my view, has been neglected is natural gas.

Natural gas is the fuel that we use to heat our homes, we cook our meals, we heat our schools, hospitals, YMCAs, YWCAs. Most small businesses use natural gas. We melt steel. We melt aluminum. We make nitrogen fertilizer, all fertilizers; and 71 percent of the cost of making fertilizers for our farmers is natural gas. It is used as an ingredient in all our petrochemicals. All the chemicals that we buy at the hardware store and the grocery store, the cleaners, skin softeners, all have a natural gas base to them. Polymers and plastics are made from both petroleum and natural gas. From face creams to fertilizers, everything we manufacture in this country, they use natural gas to make it; and they use natural gas as an ingredient.

Now, the crisis in natural gas is the price. Currently, the price is somewhere between $13.50 and $14 a thousand. That is a crisis because just 5 years ago, it was $3.30. Eleven years ago it was less than $2. That is an 1,100 percent increase in 15 years and a 700 percent increase in 5 years.

□ 2310

If milk had increased the same, it would be $28 a gallon for milk. Would we be dealing with it? Yes, we would.

I have been just stunned by the reluctance of anyone but a small group of us to take on the issue of natural gas. It is the clean fuel. It is the safe fuel. It is the abundant fuel. It is the one we could be totally self-sufficient on if we just produced it.

We get a lot from the Gulf and we get a lot of it from the Midwest, and it is scattered around the country. We get very little from the Outer Continental Shelf, because 85 percent of our Outer Continental Shelf is locked up.

What is the Outer Continental Shelf? The State owns 3 miles out into the ocean and the Federal Government owns 3 miles to 200 miles, and then it is international waters. That is the Outer Continental Shelf. That is the shelf before the ocean gets real deep, and, in most parts of the world, that is where they produce a great amount of their energy, both gas and oil.

Canada produces out there, right off the coast of Maine, right off the coast of Washington. They actually produce in our Great Lakes and sell us the gas. Denmark, Sweden, Norway, Great Britain, New Zealand, Australia, all produce both oil and gas on their Outer Continental Shelf. In fact, that is their greatest source of supply.

Well, why is America short on natural gas? We produce 84 percent of our own. We import 2 percent from foreign countries, which is called LNG. You have to liquefy it, put it in very huge ships, bring it, build ports, turn it back into gas. There is a lot of fear about those. I do not think they are unsafe, but there is a fear factor. We get 2 percent that way. And we get the rest from Canada, who is the only neighbor who can import us natural gas.

Now, we could be totally self-sufficient, because we have had a moratorium from producing gas or oil on the Outer Continental Shelf for 22 or 23 years. That happened under President Bush-one. President Clinton extended it to 2012, and currently it has not been addressed.

About the same time, leadership in the House put a moratorium on also, a legislative moratorium. So we have two moratoriums, a presidential and a legislative moratorium that says we cannot produce gas or oil in our most productive field, the Outer Continental Shelf.

Now, we have lots of it in the Midwest, but it is not as easy, and we have lots of gas in Alaska and they have been trying to build a pipeline for years, it will be another 10 or 12 years, if it gets built. In the meantime, the supply that we have of natural gas and oil, and I am promoting natural gas, not oil, because we cannot drill our way out of our oil problem. We have about 3 percent of the world's oil, but we have a unlimited supply almost of natural gas.

There was a switch in policy in this country about 10 years ago, this was about the year before I came. The decision was made to use natural gas to make electricity, to generate electricity.

Historically it was always prohibited, and you could only make electricity at peak power time, that was in the morning when we are all cooking and doing our things at home and the factories are running, and then in the evening time when we are running the washing machine and doing the dishes and cooking, so we were using a lot of natural gas, a lot of hot water and things that take energy. That is when we have this peak demand.

So for electric companies to meet that peak demand, it was easier to have natural gas plants, they are quicker to build, and you can turn them on and off. You cannot do that with coal and nuclear plants, but with the peaking plants for natural gas. So it was only allowed to be used for peaking, and I think about 8 percent of our electricity was created. Now one fourth of our electricity is produced from natural gas.

Many years ago I attended some breakfasts by the Edison institute. We were talking about this 10 to 15 year period when in this country we would generate a lot of electricity with natural gas. I had some concerns about that, because I knew there was so much land in the Midwest, millions and millions of acres where you could not produce it, where there was a lot of it, and the Outer Continental Shelf was locked up. I thought, where are we going to get all this natural gas?

Daniel Yergin, who wrote the book, ''Expose' on Oil,'' a Pulitzer Prize winning book, was speaking over in the Senate, and I went over with a group of House Members and listened to him. At that time, this was 6 or 7 years ago, he predicted if we did not open up supply and move forward with this program of making electricity out of natural gas, we would have a short supply at high prices.

Why is $14 natural gas worse than $65 oil? Well, they are both harmful. But gasoline prices, which have dominated the news, you hear it every night, in fact I was debating a Member of the Florida delegation the other day on one of the networks and we were talking about natural gas and the Outer Continental Shelf. In the prelude to us, the two hosts were talking about oil and gasoline prices. I said, ''Folks, you just talked about oil and gasoline. We are here to debate natural gas. That is a different fuel.''

So the American public knows that gasoline prices have increased. They have not quite doubled, they are 80 percent greater than they were 3 or 4 years ago. But at the same time, natural gas is 7 times more costly.

In my view, tonight is really the first cool night here in Washington, and cool weather is just starting to come down the East Coast, those Canadian fronts are starting to come down. The furnaces are going to be turned on. As these Canadian front start coming down, the early ones go all the way to Florida, and you will have tremendous gas consumption up and down the coast as we heat our homes and run our businesses and keep our schools and hospitals warm and all the other things we do with natural gas.

So, here we are with $14 natural gas. When we have $65 oil, the whole world pays that. But when we have $14 natural gas, we are the only country in the world to pay that. Canada is $2 or $3 cheaper. Europe is about $6. China, our big fears competitor, gives them another advantage, they are $4. So when they melt steam, melt aluminum, bake products, heat treat products, melt anything, cook anything, bake anything in China, it costs a third as much as it does here. You add cheap labor to that and now you show how it hurts us competitively.

The rest of the world is less than $2. In fact, in South America, in Trinidad, it is $1.60. In Trinidad, American companies are building steel plants, they are building aluminum plants, they are building fertilizer plants, they are building chemical plants, polymers and plastic plants. Why? Because the amount of natural gas used at all of those productions is immense.

I talked to a fertilizer company the other day that uses $3 million worth of natural gas a day. That is kind of an unbelievable figure. Do you think they are going to do that very long in America when it costs $14, and you can go to South America and do it for $1.60?

Mr. Speaker, that is the job side. If we do not deal with natural gas in this country, we are going to export really the best working man jobs we have left. People working in polymers and plastics and petrochemicals and fertilizer plants make good wages. They are sophisticated jobs. It is very sophisticated machine and equipment.

Last year, Dow Chemical, one of our big ones, moved 2,000 jobs to Germany. Why? Natural gas is a lot cheaper. That is not a cheap labor market, but they have the sophistication, the technology there, because these are high-tech companies. They are not simple tasks. The people that run these have to be very skilled.

So the fear I have is that we are just going to lose 1 million or more of the best jobs left in America? Why? Because they cannot afford to be here and pay these exorbitant natural gas prices that no one else has. It is like tying both hands behind our businesses and saying compete. Do hand-to-hand combat here with your hands tied behind your back.

Let us go back to families. We are just approaching the winter season, especially in the northern part of the country. Seniors and the poorest of our communities struggle to make ends meet. Their gas bills, I know people who have told me already that they have set their thermostats at 55. That is no way Americans should live. I know other people who have not yet turned on a furnace. They are literally dressing warm with layered clothing and said they are not going to turn it on because they know the price of natural gas.

In Pennsylvania we have a system where they argue once a year about how much it costs to deliver gas, but then every 90 days the natural gas prices pass through whatever they pay. Where I live, we are going to get a big increase in November. We are going to get another increase in February and we are going to get the third increase in May. We already got one in August. I think August was in the teens. They are predicting the one in November to be close to 40 percent, and nobody knows what it will be.

But no one projected $14 gas for this time of year. Some thought we might reach $11 or $12 during the winter crisis, but here we are in the fall when we are still utilizing minimal amounts, but the storms have curtailed supply, and the generation of electricity just continues to grow and suck up our natural gas.

□ 2320

Folks, in my view, the rubber is going to hit the road in the next few months. I have just been joined here by the gentleman from Louisiana (Mr. JEFFERSON), and I will turn to him in a moment. But we were having a debate on the floor on this issue in spring, and I think the gentleman from New Mexico (Mr. PEARCE) said it best. He said, folks, sometime we are going to get our act together and open up the Outer Continental Shelf for production where we have such an abundant amount of natural gas, and the secret is, do we do it now and preserve a million good jobs, keep people in their homes, keep people affording to heat their church, their YMCAs, their community centers, or do we wait until that all falls apart, we lose those million or more jobs, those companies move offshore because they cannot compete here, and people actually lose their homes to foreclosure and lose the ability to maintain their residences as they would like to in elder years.

This is a crisis that is facing this country, and it is one that I think has been caused by inaction. I have been one, and several of us have been predicting this for years. We looked at all the charts and graphs. We are using more and more natural gas and we are producing the same amount. One of the things that I have noticed is I think we are drilling almost twice the number of wells daily now than we did before, and we are not getting any more gas and the reason is that we are in these old, tired fields that have been producing for decades and the volumes are gone. We are drilling deeper, which costs more, and we cannot even maintain an equality to or supply. It still continues to be flat, and we are doing all of that production. Why? We are not out producing gas where it is plentiful, where those fields are rich.

My proposal is, and then I will turn it over to my friend from Louisiana, my proposal is we need to open up the Outer Continental Shelf to natural gas production. Both coastlines have been locked up, over half of the gulf has been locked up where there is rich amounts. One of our big opponents has been Florida. They have been fighting most viciously to not let production happen anywhere near them; yet they use 233 times more natural gas than they produce, and they are in one of the richest fields there are, and 75 percent of their electricity is made from natural gas, which is going to come back to bite them when this all comes home.

So I am going to now ask the gentleman to join me and let him share his thoughts. I thank him for joining us at this hour of the evening.

Mr. JEFFERSON. Mr. Speaker, I thank the gentleman for yielding. I rise to bring attention, as the gentleman is doing so well, to the natural gas crisis that our country is facing today, and I want to thank the gentleman for the commitment he has shown on this issue, for the clarity with which he articulates the concerns that we all have in this country, that we ought to have anyhow, about the natural gas crisis, and for calling upon the leadership of this Congress to bring this matter to the floor so Members can take a vote on it and people in this country can have the benefit of the wise legislation that the gentleman is proposing.

The price of natural gas is approximately three times the average price from 2000 to 2005, and it is nearly seven times the average price during the 1990s. This natural gas crisis has been building for years, for the last 2 years, and has suddenly erupted as those hurricanes hit the gulf down there and the aftermath has paralyzed much of the gulf natural gas and oil production. No region in the United States provides the United States with more natural gas than the gulf where 10 billion cubic feet are produced each day, representing approximately 20 percent of the gas consumed in the U.S. and 16 percent 16 percent of that is produced. This tight market, as the gentleman points out, is exacerbated by the devastating impact of these hurricanes we have just lived through, Hurricane Rita and Hurricane Katrina, and the price has risen dramatically from $3.21 in 1995 to $12.68 per million BTU today, as opposed to other countries.

For example, China pays 4.85, Iran pays $1.21, Russia, 95 cents. I mean, how can we compete with that? How can the American consumer compete with these sorts of prices? According to the Energy Information Agency, the heating costs are expected to increase somewhere between 69 to 77 percent for homeowners in the Midwest, for Southerners, 17 to 18 percent, for Northeasterners, 29 to 33 percent, and people can expect huge heating costs increases. The average family is looking at heating costs of $1,666 this year, which is a $433 increase from last year. These are huge numbers. The expected rise of home energy costs will particularly affect low-income people and fixed-income individuals.

According to a survey on the rising energy costs on poor families conducted by the National Energy Assistance Directors Association, 32 percent of families will have to sacrifice medical care, 24 percent will fail to make their rent or mortgage payment, 20 percent will be without food for at least a day, and 44 percent will skip paying or will pay less than their home energy bill in the past years. So these are devastating results.

As others have said and as the gentleman has said tonight, most devastation is going to take place in our economy and the capacity of our businesses that rely on natural gas as a major feedstock to survive. Fertilizer plants, chemical plants, food processing plants, other small businesses, our Nation's 32 million small businesses are going to suffer if we do not do something about these natural gas prices.

That is not the end of the story. Homeland security, national security all are affected here. This is a blue collar, working-family issue. People simply are going to be unable to afford it, and their families are going to have to sacrifice as a result of it. It is something we can do something about. A lot of the time we face these issues and we know the consequences and we do not have any way to get out of it. But this time we do. It is a pretty simple solution: open up the Outer Continental Shelf to gas production. It is as simple as that. If we do that, we can fix the problem for God knows how many years into the future.

I think it is a solution that this Congress cannot afford not to take at this time, and the American people cannot afford to take at this time. And I applaud the gentleman for the efforts he is making to get this brought before the Congress, before the people of this country and have an honest debate about it, and then I believe we can get this bill passed. I think the people of America, once they see it, will push our colleagues to make the right choice, and I thank the gentleman for his leadership.

Mr. PETERSON of Pennsylvania. Mr. Speaker, Florida has been one of the big opponents, but recently we received a letter that was sent to MMS, the Mineral Management Agencies, urging them to open up the Outer Continental Shelf as soon as possible. The largest business association of Florida, with

10,000 members, sent a very clear message, a 2-page letter that my staff said, I am surprised you did not write this letter because it sounds like you talking saying, we must open the OCS. Yes, here in Florida we love our tourism businesses; but if people are not successful in America, they are not going to have money to come to Florida and have their vacations, because tourism is a huge part. I am not trying to pick on Florida, but they have been much of the reason we have not dealt with this issue as a State. I have not understood that, because they are great consumers of natural gas.

They are a big farm State. You take farmers, who get hit by the energy issue probably as many times as anybody. When they plow their fields, they use petroleum. When they harvest, they use petroleum. When they dry their grains, they use natural gas. When they plant, and I missed this in the beginning, they use fertilizer, which up to 71 percent of the cost of making fertilizer is natural gas, and those prices have doubled and tripled in the last few years. Farmers do not set the prices that they sell the products for, and with these huge energy cost increases, they just cannot raise their price. They are subject to whatever the markets pay and, unfortunately, it has been low pay a lot of the time, and that is why we are always trying to keep our farmers healthy and working, but it is very difficult. But energy is playing a huge, huge role with our farmers.

Mr. JEFFERSON. Mr. Speaker, if the gentleman will yield, I can tell my colleagues that this has an effect on the balance of payments on trade deficits that our country is so concerned about. Domestic production is going to mean we will have to import less and less of our fuel for this country's needs, and I just think it makes sense on every score that we look at it. It is a blue collar working issue, it is an economic issue for our economy, it is a national security issue for our country, and it is an issue of global competitiveness for our country. I think it encompasses so many important points that the gentleman has pointed out, and I think it is time for this Congress to face up to the fact that we have to do something about it.

This is a bipartisan issue. We had a press conference a few weeks ago and you had Democrats and Republicans pushing this idea together.

□ 2330

I think it is a welcome, I think, respite for the country to see us come together on an issue, and embracing it in a bipartisan way to try to get the Congress to make the right choice here.

Mr. PETERSON of Pennsylvania. Well, we really are appreciative of your support. And many other Democrats have come on this issue, and we both have been working both sides of the aisle.

If we get a chance, and I am going to share with you that we have been promised that there is going to be an energy bill in Resources tomorrow as part of reconciliation, and we have chosen not to try to amend that, because that is going to be a complicated bill. We are getting great resistance. So we have been promised that if we do not amend that bill, that my bill, our bill, will be given consideration in the Resources Committee, we will have a hearing in the near future.

We will have a vote, if we can get it out of committee, and I have strong belief we can, because we have already successfully passed that amendment on another bill that they have since held up and did not bring it to the floor because of our amendment winning, opening up the Outer Continental Shelf, then we have been promised that we will a chance on the floor.

So all I have asked for is for a timely format where we can debate this in committee, have a hearing first and then mark up the bill and pass it, bring it to the floor, and have a debate on this issue alone, not tied into all of the other issues that are going on the reconciliation act, but get focused on that.

I was promised that by the leadership of the House. So I am really looking forward, because that is what I have been wanting.

It is interesting to me in my district. When I talk to any group that I talk to, I have people that are part of very green organizations who did not particularly like production or drilling, and they will come to me and they will say, I think you are right.

You know, I have just spoken to group after group, because I keep saying someone debate me and show me a natural gas producing well that has caused a dirty beach, that has caused pollution in the waterways. It does not.

As I said earlier, Canada drills off the coast of Maine. They drill off the coast of Washington, right near it. They drill in the Great Lakes, our Great Lakes, and sell us the gas. We get 14 percent of our gas from them. And I have nobody yet saying they want to debate this issue, that natural gas production is some wild polluting threat to our environment. You are familiar with it. You live where it happens.

Mr. JEFFERSON. I think you are exactly right. We have encouraged, by national policy, the use of natural gas for the very reason that it burns cleaner; it is better for the environment when we are using it. And as you point out, the production of it has not resulted in a catastrophe that anybody has been able to single out as a reason why we should not produce it in these areas that have been foreclosed so far.

We cannot have it both ways. You cannot encourage the use of natural gas as a cleaner-burning fuel, and at the same time see prices go up, at the same time make it harder for people to get access to that fuel without paying higher prices. It does not make any sense. So if you are going to end up encouraging it, you have got to have a policy that makes it affordable for people.

Mr. PETERSON of Pennsylvania. If we would produce the right amount of natural gas, and the price would moderate and be cheaper than oil, it should, all of our hospitals and our schools have dual capacity. They have to have a redundant heating system. So they will have fuel tanks full of fuel oil, and they will have a gas line, and then they, if one system goes down or something, then they have the backup, because you cannot have a hospital or school without that.

Now, what happens is they also use that to advantage economically. In the last couple of winters, they have used a lot of fuel oil because gas has been higher than normal. So now we are adding to our need for oil, which we depend 65 percent on foreign countries, and we have a lack of refining capacity.

We passed a bill last week dealing with refining capacity, but natural gas, I say, can be the bridge to the future of renewables and other energy because it is the clean fuel. There is no pollutants. It is one-fourth of the CO_2.

I have bus system in State College, Pennsylvania, that is all natural gaps. Now, that used to be a savings for them. Now it costs them considerably more. They are getting penalized. But in the cities where we have pollution problems from vehicles, we can have all of our buses, school buses, transit buses, taxicabs, short-haul vehicles, construction vehicles, service people servicing our air conditioning and refrigeration, and all of those short-haul vehicles could go home and gas up every night and run on natural gas, because that is a cheap conversion.

So we could really take away the need for so much foreign oil, and we could have less pollution in the air. And also everybody knows that the hydrogen fuel, I have been a supporter of hydrogen for years. How we will run the first hydrogen car, and I have ridden in a couple, is they have a natural gas tank on them, because natural gas is the easiest way to make nitrogen, so the first natural gas cars will have a natural gas tank. Then they will use the natural gas to make hydrogen, which will burn more efficiently than natural gas does and even cleaner yet.

It is the bridge to the future. In my view, natural gas should be what we are really using a lot of, but we got to produce a lot of it to get the price down.

I was a retailer. I had a supermarket for 26 years. I was in business during the late 1970s and early 1980s when we had our other energy crisis, when natural gas was high, and we had at that same time our news magazines were all talking about global chilling then. They were talking about the new ice age because we had three or four severe winters in a row.

And I remember in my store, historically it was hard to make money and profit in December or January and

February, and maybe March you started to make a profit. But in those years when you had those cold winters and high energy prices, people just purchased less. Business was tough. And I think that is what we are going to find this year, because people are going to be spending a lot more to drive to work, drive to school, and then they are going to be spending a lot more to heat their homes. And about 70 percent of Americans spend every dollar they earn every paycheck, and when they spend twice as much to drive and twice as much to heat their homes, they are going to have a whole lot less money to spend, and the economy is going to get soft.

Actually we can fall into a recession, and it will be energy costs, and most of them have been.

Mr. JEFFERSON. If I can get back to your environmental point for just a minute. We are relying a lot in the future on the importation of liquified natural gas from other parts of the world. The process to deliquify that and gassify it again is a very problematic environmental question. We are concerned about fisheries that are going to be affected by the heat that is generated by this process in the gulf, in these facilities that are used to gassify the liquified natural gas. We do not have answers to that.

We have people who are objecting to the location of these plants around the country because they worry about this sort of issue. Yet as you point out, there is such an increasing demand in the country for natural gas uses, that means we are going to rely on imported natural gas and suffer the consequences of trying to figure out how to degassify it in a way that does not cause environmental degradation.

If we can produce it ourselves, we would not have that sort of issue. We would have all of the pipelines to distribute from down in Louisiana and the rest of the gulf and other parts of the country. We can move it straight from the point of exploration to the distribution points around the country and solve this whole issue of how we handle the regassification of liquified natural gas for use in this country.

Mr. PETERSON of Pennsylvania. I am not a big fan of LNG. Right now we need everything we can get, and it is okay in a pinch. But we buy it from Libya, Algeria, Nigeria, Russia. Do we want to go down the same road we went down with oil, of buying another part of our energy portfolio from countries that do not have real stable governments, that are not exactly good friends of ours, in fact, who are working to form a cartel as we speak, so they can, their terminology is, so we can get a fair price for our natural gas?

When you have an abundant supply of your own, I think it is just not an appropriate policy to be going to foreign countries, and you have to build the most expensive ships known to man. You have to build these very controversial ports.

I do not know about the ports in the gulf, you may, but we have a port in Baltimore that I do not think has gotten above 63 percent capacity in utilization. I do not understand that. When can you buy gas in other countries for $2 or $3, liquify it and bring it here in a ship? Why the ships would not be lined up and why that port would not be accepting all of the gas it could, because it is pretty profitable to go from $2 to $14, but for some reason it is not happening.

□ 2340

I have not been able to get answers on that, but I have asked a lot of people and I do not know whether the ports in the gulf, are they running wide open.

Mr. JEFFERSON. It is very difficult. The ports in the gulf and Texas, Louisiana are trying very hard to work with putting liquified natural gas into a gas form again. But there are many places around the country where this is simply unacceptable technology and, consequently, it means that the supply that is available around the world is still hard to get into this country; but when we do, we do face environmental challenges that we otherwise would not face.

Now, the gentleman makes the point about national security. Our own government estimates that by 2020 half of our energy will be produced by unfriendly and unstable governments. Our reliance on natural gas from these countries is going to get us in the same fix we have been in for all these years with oil. And to go down the roads we are headed in a direction we know does not work for us currently does not make any sense for fuel so valuable for us in the future and where we are placing such reliance on it in the future.

I think for all the reasons we pointed out, for our small businesses, for our own domestic chemical producers, for our own fertilizer producers, for our homeland security concerns, and our national security concerns, and just for the idea that the average consumer needs to have access to energy that is affordable, these just argue very strongly for our working the solution out that has us exploit our own resources and rely on ourselves to bring this vital energy source to our people.

Mr. PETERSON of Pennsylvania. As we recap here as the evening grows short, we have been chatting here awhile about natural gas, the clean fuel, the abundant fuel, the one we have lots of. We are not short on natural gas. We are short because we have locked it up. Much of the Midwest is locked up, and 85 percent of the Continental Shelf has been locked up. To me that is bad public policy. We need to deal with that. We need to have that debate.

The mineral mines management have been taking information from the public on what they should do in the next 5-year plan; and 80-some percent of those communicating, and it is thousands and thousands and thousands have been produced in the Outer Continental Shelf. Very strong support for it. In fact, 80-some percent of those from Florida who are very opposed to this, public policy leaders there, were produced, most people know that a natural gas producing oil has never harmed anything.

What is interesting, and the gentleman is more from the gulf area, but I am told that after Katrina that one of the fears were by the fishermen that some of these platforms would be removed from the gulf and they would lose their best fishing. I have been told by the people over at mines and management who have to manage all this nationally that every test that has been done, there is more wildlife, there is more aquatic life, there are more fish and creatures around where we produce than where we do not produce. They like the break. They like the shade. They like to be in around those platforms and under them, and that is where the good fishing is.

Mr. JEFFERSON. That is absolutely true. Most folks around my way will tell you the best fishing is around these platforms. We look to them as landmarks to get out there and get good fishing in.

I want to give the gentleman the last word on there because it is his bill and it is his passion that has brought it to this point. But I do want to say that we are the only developed nation in the world that has locked up our access to our offshore gas resources. That ought to be a telling point. We have 406 trillion cubic feet of natural gas along the OCS. And currently we produce about 9.5 trillion cubic feet per year, which means we have 50 years at our current usage of natural gas that is locked up just by the fact of our policy having done it. Nobody did it to us. No country forced us to do it. There are not any international treaties or anything that prevents us from doing it. It is our own legislation, our own lack of will to make this decision.

I think it is high time we turned our attention to solving our own problems here at home in this arena. I want to thank the gentleman again for what he has done to bring it to the attention of the country, and I am proud to be associated with the gentleman on this issue.

Mr. PETERSON of Pennsylvania. I thank the gentleman very much. I really appreciate the gentleman's support because he brings a lot of knowledge because he has watched it. He has seen it happen in his part of the country. He knows it can be done appropriately; it can be done environmentally right.

Let us conclude with talking about our proposal. We have added an amendment that, currently, the Federal Government owns the Outer Continental Shelf except the first 3 miles. I think there are a couple of exceptions to that where the States have 9 miles in one place. I do not know how that happened, but normally it is just 3 miles.

So the Outer Continental Shelf, which are Federal waters, are from 3 to 200. Then you are in international waters.

Now, our proposal, the new amendment we have added, would say, all right, States can control oil and they can choose to opt out of both the legislative and the Presidential moratorium. They have the right to do that. So that would mean a State legislature, house and senate, would have to pass it. Their Governor would have to sign it. They then have to petition the Department of the Interior to open it up. That is going to take some time. At best it would be several years.

I was in the legislature for a number of years. It is hard to get a house and a senate to agree on the fine prints of the bill. I can hear those arguments in the States as they happen.

I am willing to concede 20 miles. When you are producing, you can see 12 miles. On a clear day after 12 miles they claim you cannot even see a pimple on the horizon. So let us give them 20. Now, there is lots out there so we are not giving away the store totally. So now nobody on the beach or the east or west coast or the gulf would not see a rig. They would not know it was there.

We will say we will give the States the first 20 miles for both oil and gas, but on natural gas from 20 to 200 that is Federal waters and that is open for production. To me that would send a clear message. We will deal with some other proposals that will tinker with this thing, but they do not really fix it. If we open up the Outer Continental Shelf as we have talked, that is where the gas is close to the population. Where is the population in this country? They are in the gulf. They are on the east and west coast. The majority of this population is not in the Midwest where there are other reserves. The problem with getting to those reserves is getting it to the people. But on the Outer Continental Shelf, you are close to the population centers. You can bring that gas right in to where it is needed in our largest cities, our largest populations, our largest factories and make this gas affordable.

I believe we can send a message to the chemical companies. We can send a message to the polymers and plastics companies, the fertilizer companies. Bear with us, because the statistic that I saw the other day really scared me. Petrochemical people have been talking to me for 3 or 4 years. I said, Why did you come to me 3 or 4 years ago? They said, Some people said you understand our looming natural gas problem. It is hard to get people around here to deal with it. I said, Yes, I have been speaking about natural gas, and I was wondering why you came to me. You are not from my district. You are not even close to my district. They were the big companies. And they said, Well, we want to solicit your help. We have to get natural gas if we are going to stay here.

The statistic I wanted to mention was the Manufacturing Association chairman said the other day in the hearing there are 120 chemical plants being built in the world; 119 in the rest of the world and one here.

Those are jobs that American men and women can work at and have a nice home, have a nice vehicle, have a savings account for their kids' education and have the American Dream. Those are really the best jobs left in America, and we are not going to lose them to cheap labor. We are going to lose them because we have not dealt with the natural gas issue that they just cannot afford to pay.

I talked to three or four companies this week that went from $7. They do not buy from the distribution system that our homes buy from. Most companies buy direct. They pay the distributing company a flat line fee, but every company I talked to was currently buying gas at the $14 price because this spring when their contracts were up, the price was higher than expected and the consultants told them, do not buy yet, it is going to get cheaper. Well, it did not get cheaper. Now they are paying $14. And when you use millions of dollars of gas a month and you are paying twice as much, how do you make that up? You do not. That comes right out of the bottom line.

ALCOA, a Pittsburgh corporation, a month ago said the following on a Monday morning, AP story: if energy prices in America persist high like they have been, especially natural gas, in parentheses, we will have to reconsider if we can produce here. Do we want to say good-bye to ALCOA Aluminum? Do we want to say good-bye to U.S. Steel?

Not only the steel and aluminum makers, but those who bend it, those who shape it, those who heat treat it. I have pottered metal companies in my district who make parts for cars and parts for everything that moves. Now, after they make those through the presses, then they run through them through heat treatment. That is natural gas. So it is just utilized so much; and like I said, chemicals and fertilizers, it is almost beyond comprehension what a major part of our success of America has been clean, affordable natural gas.

□ 2350

So I want to thank the gentleman for joining me in this discussion. I know he is going to join me in the debate because we are going to debate this. When all of us Members of Congress can get this message out to the American people, they are going to vote to open up the OCS, to get adequate supplies of natural gas, so we can heat our homes, so we can run our businesses, and so we have a strong economy.

Mr. JEFFERSON. Mr. Speaker, I thank the gentleman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HIGGINS (at the request of Ms. PELOSI) for today on account of personal business.

Ms. JACKSON-LEE of Texas (at the request of Ms. PELOSI) for today on account of official business in the district.

Mr. MEEK of Florida (at the request of Ms. PELOSI) for today on account of Hurricane Wilma.

Mr. REYES (at the request of Ms. PELOSI) for today and October 26 on account of official business in the district.

Ms. ROYBAL-ALLARD (at the request of Ms. PELOSI) for today and the balance of the week on account of a death in the family.

Ms. WASSERMAN SCHULTZ (at the request of Ms. PELOSI) for today on account of Hurricane Wilma.

Mr. SHAW (at the request of Mr. BLUNT) for today and October 26 on account of hurricane damage in his district.

Mr. FOLEY (at the request of Mr. BLUNT) for today on account of travel delays on account of Hurricane Wilma.

Mr. GINGREY (at the request of Mr. BLUNT) for today on account of attending a wake.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MCCARTHY) to revise and extend their remarks and include extraneous material:)

Mrs. MCCARTHY, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. HINCHEY, for 5 minutes, today.

Mr. PRICE of North Carolina, for 5 minutes, today.

Mr. MILLER of North Carolina, for 5 minutes, today.

Ms. SOLIS, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

(The following Members (at the request of Mr. SOUDER) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, today and October 26.

Mr. JONES of North Carolina, for 5 minutes, today, October 26 and 27.

Mr. BURTON of Indiana, for 5 minutes, today, October 26, 27, and 28.

Mr. BURGESS, for 5 minutes, today, October 26 and 27.

Mr. PAUL, for 5 minutes, October 26 and 27.

Mr. SOUDER, for 5 minutes, today.

Mr. GINGREY, for 5 minutes, October 26.

Mr. FLAKE, for 5 minutes, October 26.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows: