MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 2192. An act to exempt for an additional 4-year period, from the application of the methane emissions provisions of chapter 7, qualifying members of reserve components of the Armed Forces and members of the National Guard who, after September 11, 2001, have performed active duty or to perform a homeland defense activity for not less than 90 days.

ENERGY POLICY

The SPEAKER pro tempore (Mr. GOSAR). Under the Speaker's announced policy of January 5, 2011, the gentleman from Maryland (Mr. BARTLETT) is recognized for 30 minutes.

Mr. BARTLETT. Mr. Speaker, on the 8th day of March, 1956, a scientist, geologist by the name of M. King Hubbert spoke to an audience in San Antonio, Texas. The audience was a bunch of oil people. He gave what I think is going to be recognized as the most important speech of the century. It was really a very audacious speech. At that time, the United States was King of Oil. We produced more oil, we sold more oil, and we consumed more oil than any nation in the world.

M. King Hubbert told that group of oil geologists and company executives that in just 14 short years the United States would reach its maximum oil production, that no matter what they did after that their oil production would decline. This was an incredible speech. Essentially no one believed it because, as I say, at that time the United States was the King of Oil, producing more, shipping more, consuming more than any other nation in the world.

For a number of years, M. King Hubbert was a pariah. Nobody believed him. He was kind of relegated to the lunatic fringe. In 1980, 10 years after his prediction that the United States would reach its maximum oil production, you could look back, and what you saw is shown on this chart. This, of course, goes out beyond that year. What you see is what happened then.

The United States did reach its maximum oil production in 1970. After that, the price of oil went up. The onus was on us. We had to find more oil. We had to change our lifestyles and find other energy sources and to adjust our economy. And what we did was that we increased the amount of oil we produced by reclaiming our Representatives, the Roving Commissioners, the lobby people. That's who we are here. We're just lobbyists on Capitol Hill. No, they change their minds and change their votes because of lobbyists back home. That's what effects change in this place. That's what causes change to happen in Washington, DC.

The American people still run this Republic. I see it every day, and Mr. Speaker, American people would reclaim this House, reclaim this House by reclaiming their Representatives, by pushing forward those commonsense ideas—we don't need an economist to tell us, we know it to be true—we can reclaim this country.

I'm not telling you it can happen overnight. I'm not telling you it's going to be easy. But if there is one thing I am certain about America, Mr. Speaker, is in times of crisis we get the job done. If there's one thing I know about the American family, it's that if you tell the family they can't, then they will. We can do it, Mr. Speaker. 300 million Americans together can do this, but their ideas have to be heard.

This brings us to the freshman class, I would argue, doing a better job of making the families' hopes and dreams heard on Capitol Hill than we've seen in my lifetime. But we can still do better.

Fairtax@mail.house.gov and energyindependence@mail.house.gov.

We were asked, Mr. Speaker, I'm grateful to you for providing me the time this afternoon. I yield back the balance of my time.
made out of green cheese and the Earth isn’t made out of oil. It is finite. One day it will run out. And so it is obvious that one day one will have to come to grips with this. You will have to find alternative energy sources. Just when is that time to the world.

What ran out of our ability to produce more oil when we wanted more oil was in 1970. But the United States was the first great industrialized nation and so we would expect that we would reach that point before the rest of the world. The question is, when would the rest of the world reach that point?

I love this statement: “Fossil fuels resemble capital in the bank. A prudent and responsible parent will use his capital sparingly in order to pass on to his children as much as possible of his inheritance. A selfish and irresponsible parent will squander it in riotous living and care not one whit about how his offspring will fare.”

I have 10 children, 17 grandchildren, and two great-grandchildren. Particularly my great-grandchildren and some of my grandchildren will look back and they may ask themselves, how could they have done it? How could they have gone on feverishly looking for and drilling for oil when it was obvious that it was finite, when it was obvious that there would come a time when we would have to transition from oil to alternative sources of energy?

Now, this is a warning from the past, but that wasn’t the only warning that we were going to have because your government has paid for four separate studies of this problem. And the phenomenon is called “peak oil.” That’s the time at which you reach your maximum production capability; and after that, no matter what you do, production will fall off. As we saw earlier, that happened in the United States in 1970. And the way by 1980 it was painfully obvious that M. King Hubbert was right, because looking back those 10 years, we said, gee, we really did peak in 1970, didn’t we? And we’re tipped over and starting down the other side now.

Your government paid for four studies. Why four? Because they didn’t like what the first one said, and so they ordered another one and didn’t like what that one said, so a third and then a fourth. I have quotes here from two of those studies.

The first of those studies was a study by SAIC, and the primary author of that study was Robert Hirsch, and it’s usually referred to as the “Hirsch Report.” It was issued in 2005. These are just a couple of quotes from that: World production of conventional oil will reach a maximum and decline thereafter. That maximum is called the peak. A number of confident forecasters project peaking within a decade. And the world will eventually suffer even greater losses in oil production after the peak. Prediction of the peaking is very difficult because of geological complexities, measurement problems, pricing variations, demand elasticity, and political influences. Peaking will happen, but the timing is uncertain.

The world, they said, has never faced a problem like this. Without massive mitigation, more than a decade before the peak, the problem will be pervasive and will not be temporary. We had a temporary problem with the Arab oil embargo in the seventies. This will not be temporary. Previous energy transitions—coal to oil, wood to coal—are gradual and evolutionary. Oil peaking will be abrupt and revolutionary, the report said.

We were very comfortable living in this “golden age”—as it is referred to by the father of our nuclear submarine, Hyman Rickover. He noted that the incredible amount of energy and oil permitted us to live a very high-quality life, as compared to our ancestors who had not yet found how to tap into the enormous riches of fossil fuels. When I first heard that quote, I was stunned. I said to myself, it can’t be true. One barrel of oil—that’s 42 gallons—one barrel of oil has the energy equivalent of 25,000 man-hours of effort. That’s 12 people working all year. A barrel of oil has the energy equivalent of 12 people working all year long. Wow, that seems incredible, doesn’t it?

And then I thought, I drive a Prius and it takes me about 50 miles on a gallon of gasoline, not very big, a gallon of gasoline. Now, I could run my Prius that 50 miles, but it would take me a long time. With the come-alongs and the chains and hooking to the guardrail and trees, I could get the Prius that 50 miles. Wow, I said, maybe there are 25,000 man-hours of work in one barrel of oil.

Now, it wasn’t very long ago that oil was worth $12 a barrel. That means that you could buy the life-enhancing effects of having a full-time servant to work for you all year long, and you could buy it at the well head for $1. If you look around the world and see the quality of life that most of the world’s people live, it is really quite incredible compared to the quality of life that our ancestors lived before they found how to tap into the enormous potential of fossil fuels.

There was another report which issued in 2005, and that was a report by the Corps of Engineers. And here is a quote from General, the nonrenewable resources follow a natural, simple curve—production increases rapidly, slows, reaches a peak, and then declines at a rapid rate similar to its initial increase.” This is the bell curve, the curve that M. King Hubbert had noted that permitted him to make his prediction as to when the United States would reach its maximum oil production.

The major question for petroleum is not whether production will peak, but when it will peak. There are many estimates of recoverable petroleum reserves giving rise to many estimates of when peak oil will occur and how high the peak will be. A careful review of all the estimates leads to the conclusion that world oil production may peak within a few short years, after which it will decline.

Your government didn’t like what these two studies said, and so there were two more studies, one from the Government Accountability Office and the fourth one from the National Petroleum Council. I do not have quotes from these two; but they say essentially the same thing, that the peaking of oil is near, which potentially catastrophic consequences. Since your government didn’t want to hear what these reports said, it didn’t pay any attention to what the reports said, and we have gone on with policies of Drill, Baby, Drill.

Just recently, there have been two more reports that tell us where we are—they also look at where we have been—and they make their prediction of where we are going. The first of those reports is the International Energy Agency. It was issued in ’08. And the people who issued it were the IEA, the International Energy Agency. They are a creature of the OECD, a consortium of major industrial countries. There is a similar organization, the Energy Information Administration, which is a part of our Department of Energy. And they do similar things and have published similar curves; but this is the IEA, the International Energy Agency.

The blue part of that chart here represents conventional oil. Now, if they had a long enough chart, it would go back here about 100 or more years. We started pumping way back here when we didn’t need much, and so we didn’t pump much. And every time we needed more oil, we could find more oil and we could pump more oil. And we’ve been doing that now for right at 150 years.

And so here we are now. And what they show in this chart is the total liquid fuels—that’s the line up here—has been plateaued. You can see it’s flat there at $4 million barrels a day. We’ve been stuck there for 5 years now.

We’re in a recession worldwide. We aren’t using as much oil as we might use. And still oil hovers near $100 a barrel. A couple, 3 years ago when the world’s economy, including ours, kind of had a momentary collapse, the oil prices dropped down to $40 a barrel. But the reality of the supply compared to the demand, the prices steadily rose until oil is right at $100 a barrel now.

What this chart showed was a fairly significant drop-off in the production. We’re down to our conventional oil field. This is following the same curve, you note, that was followed by the United States after 1970. So our 1970 plateau is the world’s plateau that occurred—what?—’05 to ’09, something like that, which roughly when their curve occurred.

This chart shows the contributions to our liquid fuels. The top on here is natural gas liquids, and you saw that in the previous chart. That’s
propane and butane and liquids like that. The green one under it is non-
conventional oil. That is growing, and
that will grow. That’s oil from places like the oil sands of Alberta, Canada, where they have a lift there, a shovel that can lift 300,000 a day. It
dumps it into a truck that lifts 400
tons, and then they haul it to a big
cooker, and they heat it up so that the
oil will flow. It won’t flow otherwise.

They have a large amount of what we
call stranded natural gas. Stranded
natural gas is that which you don’t
have very many people. And since it can’t be moved—it’s not a liq-
uid. It’s a gas, and it’s difficult to move
long distances, so it’s cheaper when it’s
stranded, really is a part of the dark
stranded natural gas as an energy
source to warm this oil up so that it
will flow.

The next little wedge there, a dark
red wedge, really is a part of the dark
blue one down here. It’s enhanced oil
recovery. Enhanced oil recovery is all
about pumping live steam down there or
pushing seawater down there, or push-
by pumping live steam down there or
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produce that oil at the increasing rate to meet increasing demands. We’re not running out. There will be oil for another 150 years. Ever less and less, more and more expensive, harder and harder to get.

Our time is running out.

If you have only one chart to look at, this would be the chart.

This is when we discovered oil way back there. Huge amounts of oil. This dark blue line is our current condition of oil. You need to kind of thank the Arabs or their Arab oil embargo. If they hadn’t had that in the seventies, look where this curve would be. It would have gone off the top of the chart. That woke us up. Your air conditioner now is probably three times as efficient as your air conditioner was then.

Well, we will return to talk about what can we do about this. Today, we talked only about the problem. It’s a huge problem. We’re equal to that problem. We’ll be back and talk about how we respond to the problem.

I yield back the balance of my time.

BUDGETARY AND OTHER CONCERNS

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 5, 2011, the gentleman from Texas (Mr. GOHMERT) is recognized for 30 minutes.

Mr. GOHMERT. Thank you, Mr. Speaker.

We’re in a time of massive over-spending, a time when some want to raise taxes, creating more of an economic problem. But it’s been shocking that after the biggest wave election since the 1930s, 80-plus brand-new Republican conservative Members coming into this House, it’s been nearly a year, and we really haven’t cut much of anything. There’s plenty of places to do it. It should be done. It can be done.

We’re going back to the last Speaker PELOSI budget before the big bailouts and stimulus all started occurring. I don’t remember governmental entities around the country, Federal Government entities, in 2007 and 2008 with Speaker Pelosi at the helm of things, complaining that they weren’t getting enough Federal money. Yet, if we went back there and just said, you know what, forget the stimuluses and the bailouts, obviously those haven’t worked. Let’s just go back to the ‘08 budget. They didn’t pass a budget; they passed appropriations—but let’s go back to those numbers. Instantly, a trillion dollars trimmed off.

What we’ve had is a President of the United States coming into office jumping up the Federal spending by a trillion to a trillion and a half dollars and then saying we’re not cutting any of that extra trillion dollars we’ve added on. We just need now to raise taxes to get up with this giveaway spending that we’ve done.

There are many good examples of that, but none better than in the solar energy area—a place like Solyndra getting between five and $600 million that’s been completely wasted.

We’ve been told by Secretary Napolitano that the country just can’t afford to build a fence on our southern border when we have not Latin American citizens coming up here. We have what are sometimes labeled OTMs, “other than Mexicans,” coming in; and many of them are coming in and they’re not coming in to do us any favors, and they’re not coming here to get jobs.

We have an obligation to provide for the common defense. Our oath requires us to do that, and we’re not doing it.

But good grief, if you took the money that this administration squandered giving away to Solyndra, take the $700 million or so that was squandered, given away to a solar plant in Nevada—actually they had about $35 billion to ObamaCare. There’s a trillion dollars being done—and according to the information from this administration—some of us think it shouldn’t cost nearly this much—but if you took just $1 billion to $2 billion of that $35 billion that had been squandered Energy Department and said we’re committed to providing for the common defense, and in providing for the common defense we’re going to build a fence, it would cost a fraction of what this administration has on solar energy giveaway programs. What a waste.

Then we have ObamaCare. You want to save a trillion dollars? Just stop it. Repeal ObamaCare. The vast majority of American new majorities voted into the House to try to get that done. Turns out, we’ve got to have help in the Senate we don’t have down there so that we can do the will of the majority of the American public and repeal ObamaCare. There’s a trillion dollars in savings, actually more than that.

We’ve got $105 billion being spent right now, in the process of being spent, to make sure that the mechanisms are in place so that by 2013, 2014, ObamaCare is going to be the law of the land whether the Supreme Court strikes it down or not, because all of these mechanisms will be in place. It’s time to repeal it. It’s time to get rid of it and have serious health care reform.

And you can’t have serious health care reform until you know what the cost of health care is. You can’t go into any doctor’s office or any hospital, any health care provider’s office and say how we’re going to do the procedure, that procedure if it is something that’s covered by insurance or Medicare or Medicaid because they can’t tell you. It depends, they’ll tell you. What kind of insurance you got? Are you on Medicare? Medicaid? Are you paying cash?

Ironically, in a society where paying cash should normally get you the lesser price, in health care, because of some of the insurance agreements, they are not allowed contractually to charge as little to the cash-paying people as those who have insurance get charged to their insurance companies.

Well, that’s not the free market. That’s not competition. So that’s something that has to be dealt with.

When we look at the figures, for example, on Medicare for the calendar year of 2010, it has been estimated that $522.8 billion was spent on Medicare. When you divide the number of households in the United States that have been estimated to have one or more people on Medicare, out we’re apparently spending between $20,000 and $30,000 a household for Medicare. You can buy some really great private health insurance, especially if you have a high deductible, for a lot less than $20,000 a year.

That’s why the proposal I had—some have called it bipartisan—has clearly become a partisan entity. After being called to the woodshed by this current President, they were able to strike about $200 billion or $300 billion from their estimated costs of ObamaCare only to find, once it passed, it’s likely back in. Well, if CBO has a margin of error of $300 billion out of every $1 trillion they estimate, then it’s probably not something we ought to keep. It’s kind of like the Energy Department. When they’re that bad at what they do, it’s time to get rid of them and do something new.

But you can’t blame the folks who are there. Their hands were tied with rules that were put in place in 1974 up until the last 5 or 6 years with the most liberal Congress in our history, the same Congress that said we weren’t going to stay with our commitments to allies in Southeast Asia. We left, some estimate, 2 million people to be killed when we flew Southeast Asia. Now this President seems to be following the same trends that we saw with Jimmy Carter. Running out our friends, helping our enemies—and there’s always a price to be paid for that.

So we’ve got ObamaCare put in place. Over $1 trillion could be saved. Just repeal the thing, and let’s start with real reform.

Even though CBO refused to score it, Newt Gingrich told me if I could get that bill scored, it might revolutionize the discussion on health care. So, naturally, CBO wouldn’t score something like that even after they were requested by the ranking Republican on Energy and Commerce, a Committee of jurisdiction—and by the ranking Republican on the Joint Committee on Taxation. They both requested it be scored, but CBO didn’t score it. It might have interfered with ObamaCare being passed. The bottom line was it would have given socialized medicine—health care to China.

Do you want to keep being on Medicare and have the Federal Government tell you what you can or can’t have, and have to go out and, with the precious few dollars you have from Social