United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

Vol. 148 WASHINGTON, WEDNESDAY, MARCH 6, 2002 No. 23

Senate

The Senate met at 10 a.m. and was called to order by the Honorable BENJAMIN E. NELSON, a Senator from the State of Nebraska.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, all through our history as a nation You have helped us battle the enemies of freedom and democracy. Many of the pages of our history are red with the blood of those who paid the supreme sacrifice in just wars against tyranny. They are our distinguished heroes and heroines.

Today, we feel both grief and gratitude for the seven men who lost their lives in Afghanistan in the battle against the insidious enemy of terrorism. We ask You to comfort and strengthen their families, loved ones, and friends as they experience the anguish of their loss. Death could not end their gallant lives. We do not want to forget them or lose sight of the hallowed memory of their gallantry.

Renew our resolve to press on in the battle to rid the world of terrorism. Lord God of hosts, be with us yet, lest we forget what the men and women of our military are doing to assure us of the freedom of speech and the exercise of government we will enjoy today. Lord, continue to bless America and give us victory over the forces of evil confronting our world. Amen.

PLEDGE OF ALLEGIANCE

The Honorable BENJAMIN E. NELSON led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 6, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BENJAMIN E. NELSON, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BENJAMIN E. NELSON thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader.

Mr. DASCHLE. Mr. President, what is the pending business before the Senate?

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 517, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 517) to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

Pending:

Daschle/Bingaman further modified amendment No. 2917, in the nature of a substitute.

AMENDMENT NO. 2980 TO AMENDMENT NO. 2917, AS FURTHER MODIFIED

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. DASCHLE. I send an amendment to the desk and ask for its consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE] proposes an amendment numbered 2980 to amendment No. 2917.

Mr. DASCHLE. I ask unanimous consent reading of the amendment be dispensed with.

Mr. MURKOWSKI. I object.

The ACTING PRESIDENT pro tempore. The objection is heard.

The clerk will read the amendment.

The assistant legislative clerk read as follows:

At the appropriate place, insert the following:

''(e) PROHIBITION ON CERTAIN PIPELINE ROUTE.—No license, permit, lease, right-of-way, authorization or other approval required under Federal law for the construction of any pipeline to transport natural gas from lands within the Prudhoe Bay oil and gas lease area may be granted for any pipeline that follows a route that traverses—

''(1) the submerged lands (as defined by the Submerged Lands Act) beneath, or the adjacent shoreline of, the Beaufort Sea; and

''(2) enters Canada at any point north of 68 degrees North latitude.''

At the appropriate place, insert the following:

''(d) STATE COORDINATION.—The Federal Coordinator shall enter into a Joint Surveillance and Monitoring Agreement, approved by the President and the Governor of Alaska, with the State of Alaska similar to that in effect during construction of the Trans-Alaska Oil Pipeline to monitor the construction of the Alaska natural gas transportation project. The federal government shall have primary surveillance and monitoring responsibility where the Alaska natural gas transportation project crosses federal lands and private lands, and the state government shall have primary surveillance and monitoring responsibility where the Alaska natural gas transportation project crosses state lands.''

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent the call of the quorum be rescinded.

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

Mr. LOTT. Mr. President, I ask consent that the pending issue be set aside temporarily so I may make an opening statement on my leader time, without anybody losing their rights.

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

Mr. LOTT. I thank Senator DASCHLE and Senator MURKOWSKI for allowing me to do this.

We are soon going to be proceeding with the amendments on this very important issue. I have said several times, and I believe it and mean it sincerely, that having a national energy policy is one of the two most important things we will try to accomplish this year. After providing adequate needs for the defense of our country and in the war against terrorism, having a national energy policy is the next most important. While a lot of other issues are critical and we need to address them, this is a very serious matter.

I focus today on my belief that American dependence on foreign oil directly threatens our national security and our freedom. I think it is even bigger than that. It is also about economic freedom. If we do not address this question in a very broad and comprehensive way, the time will come—maybe even this summer once again—when we will have rolling brownouts, and someday, perhaps, blackouts, as well as gas lines again. We need a comprehensive, broad, national policy to avoid that. If we do not do that, we could get to a situation where, for some reason, foreign oil imports should be cut off or a high percentage should be cut off or we decide we will not continue to be dependent on Iraqi oil, or any number of upheavals could affect us immediately. It could affect not only our lifestyles but affect the economy and the jobs on which people depend. Energy is essential to the creation of jobs, whether in the steel industry, the poultry industry, agriculture, or fisheries on the Gulf of Mexico where I live.

I am beginning to think there are people who believe when you flip the switch and the power comes on, it magically appears out of this wire. Somewhere behind that wire are a lot of things we need to have. We need to have transmission lines. We need to have a plant somewhere that is creating that power that is wheeled through those lines. And the energy that fuels that plant has to come from somewhere.

In this bill that we are starting off with, I think we have a very bad product. I am not going to belabor the process of how we got here, but it seems to be a continuing, changing process. The Energy Committee didn't act. The Commerce Committee couldn't act on the CAFE standards. The Finance Committee did finally get together and it produced a $15 billion tax incentive package, but there is some concern about whether or not that should be offset or how it would be offset. So there is going to have to be a lot of work done on this bill to make it acceptable.

I think in the bill as it starts out, far too much is dependent on conservation and alternative fuels and not wanting to sufficiently address the production side. I think we need both. I am for encouraging conservation with incentives. I am for alternative fuels. I am for renewables. I am for using tax incentives to get these marginal wells back in production. But I also want the other side of that equation. I don't think we can conserve ourselves into an energy policy or, by reducing what we use, not be threatened by this energy area.

I hope we will work to come up with a comprehensive package at the end that is worth voting on, to send it on to conference. The Senate has been developing a pattern now of starting off with bad bills or partisan bills. When you do that, you are almost destined to get to a point where you cannot get a result.

We have not been able to move forward on energy for a year but now, thank goodness, we are going to have this full debate. I am appreciative of that, although I am very worried about the way it is starting. It smells like a stimulus bill or an agriculture bill in terms of how it is written. Maybe that will not be the case. I, for one, have started out by saying: Let's not focus on the negative. Let's just go forward and do our work. Let's have amendments, let's have votes, let's improve this bill. I may be disappointed in the end and some people will come to me and say: See, I told you so, you can't fix this thing.

But I am like Nehemiah in the Bible in building the wall. He believed the wall could be built. The people didn't believe it, but they trusted him and they kept working and kept working and they built the wall. We are trying to build a wall here, and this wall is an energy policy for our country.

So I do think there is a problem that affects our national security in the first instance. There are a lot of explanations why we do not have a national energy policy. We can blame a lot of people. There will be those who quickly say: Blame your neighbor's SUV. I have one. I have three grandchildren. I like them to be able to ride in the same vehicle with me. Or blame the oil companies—oh, the polluters. What do they think we are going to drive the economy with without oil and natural gas and coal and nuclear—the whole schmear. Or the automobile makers, it is easy to blame the automobile makers.

Unfortunately, we blame the domestic ones more than we do even the international ones—I am not criticizing them because they are putting their plants in America and we are glad to have them. They can help us, perhaps, produce better automobiles that have better fuel economy. I hope it is not done just by cutting them in half, which is what you get when you go in Europe. I can't even get into those things they have over there, or any of the other usual scapegoats.

Before we do that, just consider this fact. America is one of the leading energy-producing countries in the world. This country has the technology, alternative resources, and enough oil and natural gas to make itself much more self-sufficient. America does not have to revert back to the practices of the 1970s. The country is faced with a serious problem because previous Congresses and previous administrations—blame everybody—didn't do what needed to be done in this area because it was too hard. These issues are not easy, trying to come up with an agreement that will provide a positive result. Whether it is in the fuel efficiency area, in the production area—every one of them is very difficult to work out to an agreement and compromise that will pass.

As a result, crude oil production is down significantly in this country as consumption continues to rise. America now imports 56 percent of the oil it consumes, compared to 36 percent at the time of the 1993 Arab oil embargo. We had long gas lines and we had huge debates in the Congress, particularly in the Senate, over what to do about our energy needs. We acted as if we thought maybe we had done enough. Obviously it didn't work because our dependence on foreign oil had gone up.

At the rate it is going, the Energy Department predicts America will be at least 65-percent dependent on foreign oil by 2020. That alarms me and I bet it does most Senators—and most Americans, when you think about it—when we are dependent on oil that comes from some very dangerous parts of the world, in many cases, or some cases very unstable governments.

We cannot continue down this path. This bill has to be passed so that will not be what happens. We need a national energy policy that will enhance national security by reducing this dependence on foreign energy sources. We need a policy that provides incentives for the use of natural gas—a fuel which can burn cleanly in internal combustion engines and which is abundant within our borders, especially the Gulf of Mexico, right in front of my house where I live. It is out there. Some of it is being taken out of the gulf now. A lot more could be done, but we have a huge battle to try to make use of areas such as the Destin Dome in the Gulf of Mexico, which I think is at least 100 miles from the shoreline. There is no

need, no reason we should not pursue that. Natural gas is not oil, for one thing. You don't spill it.

We should also call on America to utilize other domestic resources through incentives which encourage the use of marginal oil wells and the billions of barrels of oil we have in Alaska. Likewise, we should not ignore the use of renewable energy resources such as solar power, hydropower, or wind power. Can we get a substantial percentage of our needs out of that area? I doubt it, although I think hydropower can produce significant amounts. Maybe we can get some help from solar or wind. I doubt if we will ever exceed 3 or 4 or 5 percent, but that is not small potatoes. Let's do that, too. However, Congress must acknowledge that America cannot realistically run only on renewable energy resources. We must be realistic and provide a bridge to our energy future.

Despite the most advanced technology and ingenuity, tomorrow's energy sources will not answer the energy needs of today. Coal, oil, and natural gas remain our most abundant and affordable fuels, and they can be used in environmentally sound ways.

My State doesn't produce a lot of coal. We have some lignite, and we are beginning to make use of it. But I believe clean coal technology is out there. I believe we can use coal and use it in a much cleaner way. We need to have encouragement to do that. Some 55 percent of the electricity generated in the United States comes from coal-fired, steam generating plants. Coal can make a significant contribution to U.S. energy security if the environmental challenges of coal-fired plants can be met. Congress should enact legislation which will provide credits for emissions reductions and efficiency improvements.

We are going to have that in this bill. Some are in it and I hope there will be even more. Congress must also provide incentives for independent producers to keep their wells pumping. Tax credits for marginal wells will restore our link to existing resources, including many in my own home State of Mississippi. We are not a big oil producing State, but we do have some oil and the wells are pumping now. The wells are marginal, but they can produce five barrels a day which can make a difference.

These wells are responsible for 50 percent of the U.S. production. We should give even more incentives to keep that percentage at least in place.

We also need to increase the availability of domestic natural gas, which is the clean alternative for coal in electric power plants. Federal land out West may contain as much as 137 trillion cubic feet of natural gas. Similarly there is Federal land in Alaska which is estimated to contain 16 billion barrels of domestic crude oil. None of these facts should be surprising.

There has to be a solution to this problem. Some would say that all we need to do is improve energy efficiency and reduce energy consumption.

Is that the way we do things in America? No. In America we make things better—more efficient and better. Are we saying you have to learn to live with less and that we can't have it as we did? That is not the American spirit. We can produce more. We can be more energy efficient. We can do all of it if we make up our minds to do it.

While there is a place for energy efficiency incentives in developing a natural energy policy, we must not starve our economy of the energy it needs to maintain and improve our standard of living. In the long run, a national energy policy that looks at all realistic sources of energy must be developed.

This is not the 1970s. America has better technology, more efficient and cleaner automobiles, as well as more energy options. The question is, How long will we forgo these options and be held hostage to nations abroad or extremists at home who do not want us to do what can and should be done? America must tap the vast resources we have. America can solve its energy problems but Congress must act in the interests of the entire Nation, rather than a select few, or with a defeatist attitude. Providing families the security and freedom they deserve depends upon stable, reliable, clean, and affordable energy. America badly needs a comprehensive, but realistic, national energy policy, and we need it now.

I say again that while I might object to the content of the bill we are beginning with and the process used to get here, we are on it. So let us make our opening statements. Let us get the amendments started. Let us see if we can't produce a bill that we can send to conference and get this job done.

The President of the United States wants us to do this. He knows we have to do it. He raised it in a meeting just yesterday. He didn't say you have to do it this way or that way. I know he wants us to get access to oil in ANWR and other places in this country. I know he wants us to have a realistic CAFE standard. But he is not saying you have to do it my way to get it done.

Mr. Chairman and Senator MURKOWSKI, let's roll.

I yield the floor.

Mr. DASCHLE. Mr. President, I compliment the distinguished Republican leader for his statement. While there are some things that might divide us on the issue, there is a lot he just said that I agree with wholeheartedly. This country needs an energy policy. We ought to be moving forward. We can do both in terms of comprehensive conservation and comprehensive production incentives. So I thank him for the spirit in which he has begun this debate.

For those who have expressed some concern about the way this bill came to the floor, I will just say that this is the way the last energy bill came to the floor in May and June of the year 2001. But I want to address very briefly the amendment I have just laid down.

One of the most significant, responsible ways in which to increase production and improve our Nation's energy security is to build a pipeline to bring natural gas from Alaska to the lower forty-eight states.

There are 35 trillion cubic feet of known natural gas reserves on the North Slope of Alaska. Right now, that gas is being pumped back into the ground because we have no way of getting it to people. In the energy bill we are now debating, Senator BINGAMAN and I have proposed a 2,000-mile long gas pipeline that would create 400,000 jobs, use an estimated 5 million tons of U.S. steel, and ensure that we do not become dependent on imported liquefied natural gas. If we want to create jobs, increase our energy security, and help the U.S. steel industry, building this pipeline is the way to do it.

Last week, Alaska Governor Tony Knowles suggested some refinements in the legislation that would ensure that American workers, and in particular, Alaskans, get the greatest benefit from this project.

In particular, Governor Knowles urged us to ensure that the pipeline follow what is known as the southern route down the Alaska Highway. This will ensure that much of the pipeline is constructed in Alaska and that it avoids the environmental pitfalls that construction could have on the fragile northern Alaska environment and the Beaufort Sea.

Second, he asked that we clarify the rules for State and federal cooperation, to ensure that the development of the pipeline proceed as smoothly as possible. Both of these issues are addressed in the amendment we are offering today. Other changes that Governor Knowles has requested include guaranteeing access to the pipeline for new natural gas producers that may arise in the future, protecting the ability of Alaskans to have access to the natural gas that will be transported in the pipeline, and establishing a tax incentive to reduce the risk associated with natural gas price volatility.

Senator BINGAMAN is working closely with others to develop language on these issues, and I would expect the final product of these deliberations to be added to the energy bill prior to final passage.

Energy for America, jobs and opportunity for Alaskans, and no damage to sensitive environmental areas should all be goals to which we can subscribe. This legislation, and this amendment in particular, allow us to do that with even greater confidence.

I yield the floor.

AMENDMENT NO. 2980 TO AMENDMENT NO. 2917, AS FURTHER MODIFIED

Mr. DASCHLE. Mr. President, I have a modification of the amendment at the desk.

The ACTING PRESIDENT pro tempore. The amendment is modified.

The amendment (No. 2980), as modified, is as follows:

Insert the following after Section 704(d):

''(e) PROHIBITION ON CERTAIN PIPELINE ROUTE.—No license, permit, lease, right-of-way, authorization or other approval required under Federal law for the construction of any pipeline to transport natural gas from lands within the Prudhoe Bay oil and gas lease area may be granted for any pipeline that follows a route that traverses—

''(1) the submerged lands (as defined by the Submerged Lands Act) beneath, or the adjacent shoreline of, the Beaufort Sea; and

''(2) enters Canada at any point north of 68 degrees North latitude.''

Insert the following after Section 706(c):

''(d) STATE COORDINATION.—The Federal Coordinator shall enter into a Joint Surveillance and Monitoring Agreement, approved by the President and the Governor of Alaska, with the State of Alaska similar to that in effect during construction of the Trans-Alaska Oil Pipeline to monitor the construction of the Alaska natural gas transportation project. The federal government shall have primary surveillance and monitoring responsibility where the Alaska natural gas transportation project crosses federal lands and private lands, and the state government shall have primary surveillance and monitoring responsibility where the Alaska natural gas transportation project crosses state lands.''

Mr. BINGAMAN. Mr. President, let me speak very briefly on the same issue that the majority leader raised.

I also believe it is very important for us in this legislation to facilitate construction of this pipeline from the North Slope of Alaska to bring natural gas to the lower 48 States. This is an issue that my colleague from Alaska, Senator MURKOWSKI, has been urging for some time. I know Senator STEVENS, as well, strongly supports it. I know that virtually all of us on the Energy Committee have believed construction of this pipeline needed to be a priority item as part of a comprehensive energy plan. That is why we included it in the legislation that is before the Senate today.

The amendment Senator DASCHLE has now offered would change what we have in the bill in a couple of important respects. The main thing it would do is ensure that the so-called southern route be chosen. This is again something that I know all of the representatives from Alaska have urged on us. I know Governor Knowles has urged this in testimony before the Energy Committee. He urged that this be done.

The bill we have introduced did not specify that the southern route was the only option. We were route neutral in the bill that is before the Senate because we believed that was an issue and a river we weren't ready to cross. But at this stage, I think it is clear that this southern route, which was authorized in the previous legislation that was passed in Congress a couple of decades ago, is part of our international treaty with Canada. It recognizes that there are environmental advantages if we follow this existing transportation route.

I think there are substantial advantages to be argued in favor of doing this southern route. I know it has been a priority for, as I say, the Governor of Alaska and the Senators and the Representative from Alaska for a long time. I think it will improve the bill.

It will make it clear that the Senate is anxious to see the jobs created in Alaska and that it is anxious to see the economic benefits. It recognizes that the environmental benefits are substantial as well.

I will support the amendment as it is proposed. I hope we can get strong bipartisan support for it. As I say, it is one of those issues we have debated for a long time. We brought the bill to the floor with a route-neutral provision in it. Now that would change, but it would change with my support.

I yield the floor.

Mr. REID. Mr. President, I hope my name will be added as a sponsor of this Daschle-Bingaman amendment.

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

Mr. REID. Mr. President, I have not had an opportunity to speak on this legislation. I am going to speak generally about the legislation, but in particular to this amendment. For those who are interested, I think we have a clear description of what this legislation, as amended, would do. Basically it brings the route down through Alaska. It is a route of over 2,000 miles.

The amount of jobs it would create is very significant. It would create 400,000 new jobs. And this is an unbelievably large figure, but it is accurate. This is pipe that is more than 50 inches in diameter. We would need 5 million tons of steel. I would hope it would be U.S. steel: 5 million tons. It is hard for me to comprehend that, but that is what it would take.

The bill would provide $10 billion in loan guarantees for the construction of this pipeline and would bring 35 trillion cubic feet of natural gas to the lower 48 States. That is significant.

We can all readily agree that the United States needs to lessen its dependence on foreign oil. The best way to reduce our dependence on foreign oil is to diversify our energy supply by developing renewable energy resources. We also would hope to adopt a CAFE standard. My understanding is that there is a bipartisan agreement being worked out as we speak, if it has not already been worked out. We were close to working it out yesterday. Senator KERRY and Senator MCCAIN are working out something on CAFE standards. Another way to reduce our dependence on foreign oil is to improve the energy efficiency of our homes and appliances.

That is how we can best lessen our dependence, reduce our demand on foreign oil: diversify our energy supply by developing renewable energy resources, adopt a CAFE standard, and improve the energy efficiency of our homes and appliances.

It is also obvious that the demand for natural gas is increasing worldwide. In the United States, natural gas consumption is expected to outpace current supply sources over the next 10 to 20 years, creating a shortfall of more than 6 trillion cubic feet by the year 2020. But remember, this legislation would immediately bring to the lower 48 States 35 trillion cubic feet of natural gas. So we would not have the 6 trillion cubic feet shortfall if we are able to produce this gas line.

In Nevada, 29 percent of our electricity needs are now met by natural gas, and that fraction will only grow over time. There is the construction now of a number of powerplants in Nevada to meet the needs of California and, particularly, Nevada.

Clearly, the future favors natural gas as a primary source of electricity in our country. Rightfully, many fear the United States will become as dependent on imported liquid natural gas in the future as we are on oil today. That is why this southern route is so important to our country.

I support the provisions of this act before us. I particularly support this amendment. This amendment would increase the supply of domestically produced natural gas available to U.S. consumers by expediting the construction of a natural gas pipeline from Alaska's North Slope to the lower 48 States.

I do not think there is a question of whether we are going to build the pipeline; it is a question of where we are going to build it. That is why there has been a general agreement we need to go with the southern route, not the northern route, for a number of reasons, not the least of which is the need to help Alaska as much as we can.

There is more than 35 trillion cubic feet of natural gas immediately available in the Alaskan North Slope, gas that is pumped back into the ground because we have no way of getting it to the people. That is inefficient. We save a lot of it by pumping it back into the ground, but we do not save it all.

It is estimated that the total natural gas available from the Alaska North Slope is more than 100 trillion cubic feet. The pipeline would provide natural gas to American consumers for at least 30 years, and it would be a stabilizing force on natural gas prices.

We have heard a lot from my friend, the distinguished ranking member of the Energy Committee, Senator MURKOWSKI, about how many jobs ANWR would create. But the jobs ANWR would create are simply not as great as these 400,000 new jobs. The pipeline would provide a significant opportunity for the U.S. steel industry, requiring up to 2,100 miles of pipe and, as I have indicated before, 5 million tons of steel.

The Alaska natural gas pipeline is a responsible way to address our Nation's growing demand for natural gas. It means energy independence and jobs, a winning combination.

We may have some disagreement with the distinguished Senator from Alaska on whether we should drill in ANWR, but there is no controversy, dispute, or question about the fact that we need to do everything we can, as

quickly as we can, to bring the natural gas from Alaska to the lower 48 States.

That is why the Governor of Alaska is totally supportive of what we are doing. Senator STEVENS—and I am confident Senator MURKOWSKI—support what we are doing. Of course, if there is something that is wrong with this amendment that does not meet the demands of Senator MURKOWSKI, we would be happy to speak with him. But as far as I know, in the meetings that have been on his staff level, we are headed in the right direction.

This amendment has two parts. It would ban the so-called ''over the top'' route for the pipeline—what we are talking about is, it would ban this route shown on the chart here—by prohibiting the issuance of any of the necessary Federal permits.

Governor Knowles' testimony is significant. He testified before the Energy Committee. Among other things, Governor Knowles said:

I respectfully suggest there are three essential components of this vitally important legislation. First, the route must be mandated along the Alaska Highway, as provided for in the 1976 Alaska Natural Gas Transportation Act. Second, this legislation must build American industry and create American jobs. Third, there must be economic incentives to attract the private capital to the project which when completed will substantially add to the national treasury.

There are many reasons why the route of the gasoline must follow the existing oil pipeline from the Alaska North Slope to Fairbanks and then the Alaska Highway through Canada to Alberta.

It is currently authorized in ANGTA [Alaska Natural Gas Transportation Act] and a presidential decision. It is part of an international treaty with Canada. It recognizes the environmental advantage of following existing transportation corridors. It allows vitally important access to the gas for the residents and businesses in Alaska. For these reasons, this route has the broadest support among Alaskans of any major project in recent history.

Additionally, there are serious concerns over the proposed alternative route commonly known as the northern or ''over the top'' route. This route would originate on the Alaskan North Slope then proceed 240 miles under the ice-choked Beaufort Sea to the Mackenzie River Delta and then up that river drainage to Alberta.

First and perhaps the most significant opposition to that route has come from the unanimous objections of the North Slope Inupiat Eskimos. At a recent public hearing, their corporate, community, and tribal leaders vowed they would use every resource available to them to fight this route, which would threaten their cultural and nutritional dependence on marine mammals.

Second, both Alaskan and national environmental organizations have said they too strenuously oppose this ill-conceived frontier route. Calling for previously untested technologies and risky ventures underwater, this project could never be considered as a preferred alternative to an existing land transportation corridor.

This is the Governor of Alaska. I quoted him verbatim.

The southern route, as he indicated, is authorized in ANGTA and is part of an international treaty with Canada. It recognizes the environmental advantage of following the existing transportation corridors and allows access to gas for Alaskan residents.

There are serious concerns, environmentally and socially, over the northern ''over the top'' route. As indicated, the Northern Slope Eskimos strictly oppose this. Environmental organizations oppose this.

For these reasons, the Alaskan delegation, to my knowledge, is supportive of the southern route.

One of the myths that we have heard is the Alaskan natural gas pipeline will create less jobs than drilling in the Arctic Refuge. We do not need a battle over which creates the most jobs, but I do say that the Congressional Research Service, which is an investigative arm of this body, estimates only 60,000 jobs would be created by drilling in the Arctic Refuge—only 60,000 jobs. I recognize that is a lot of jobs.

Certainly, even for Nevada, a State that is probably three times the population of Alaska, 60,000 jobs would be a lot of jobs. I am sure the Presiding Officer, if he lost 60,000 jobs in Nebraska, would take note. He would take further note though that the Congressional Research Service reports that building the Alaska natural gas pipeline would create more than 400,000 new jobs according to industry estimates and require roughly 5 million tons of U.S. steel and 2,100 miles of pipe. The energy bill would provide $10 billion in loan guarantees for the pipeline.

This is a good amendment. It is not only a good amendment, it is a good bill. This bill does some things important for the State of Nevada. We have been very concerned about the FERC having too many new broad authorities at the expense of State authority. In reality, under this Senate bill, FERC is given limited authorities that both Democrats and Republicans have advocated for years to oversee the reliability of the grid and require that all utilities play by the same transmission rules. California and Nevada were hurt significantly during the past year by actions of FERC, and this certainly will not strengthen FERC's role.

Some loopholes in FERC's merger review authority are filled, but the bill does not deregulate the electricity industry. In fact, some needed FERC authorities are strengthened, as indicated by both Democrats and Republicans, to ensure markets can be relied upon to provide low-cost electricity.

Another myth is that the Senate energy bill fails to exploit the Nation's potential to produce and use oil and natural gas. In reality, oil and natural gas will continue to play an integral role in the U.S. energy policy. This bill before the Senate provides $4.6 billion in tax incentives for oil and natural gas and $10 billion in loan guarantees, as we have talked about this morning, to build the Alaska natural gas pipeline which will bring 35 trillion cubic feet of natural gas to the lower 48 States.

Nevada has no coal. We are rich in other minerals. We are the third largest producer of gold in the world behind South Africa and Australia. We produce large quantities of silver and other precious metals. We don't have any coal—good coal or bad coal—but we still understand the importance of coal in America.

The United States is the Saudi Arabia of coal. We have more coal than any other country. We want to overcome the myth that some are saying this legislation will limit the use of coal in the United States. Quite to the contrary, the energy bill provides $1.9 billion in tax incentives for clean coal and establishes extensive clean coal research programs. The bill will ensure the use of clean coal in the United States and clean air in the future.

Outside Reno we have a power plant that was initiated with clean coal technology. It couldn't have been built with clean coal technology without the Federal Government helping Sierra Pacific Power do that. I am a big fan of using coal but using it in a different method than we have used in the past. Clean coal technology is something we have to rely on and do more than what we have done before. This legislation crafted by Senator BINGAMAN will allow us to do that.

I hope we can move this legislation as quickly as possible. We have so much to do in the Senate. The leader has said we are going to finish campaign finance reform. We have all the many items we talked about for so long that we have to do, now that we are a little bit removed from September 11, even though that still is our first fixation. Prescription drug benefits is something we have to work on. We have all the appropriations bills to pass.

We recognize we need an energy policy. I commend and applaud the Senator from New Mexico, chairman of this committee, for this work of art, some would say, he has given to us. He has worked hard. We have a good piece of legislation. I look forward to working with him and Senator MURKOWSKI to come up with an energy policy for this country and move this legislation out of the Senate, move it to the House where we can have a conference, and come back with something for the President to sign.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, the pending business before the Senate is Senator DASCHLE's amendment to the pending underlying bill, S. 517; is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. MURKOWSKI. I join with Senator STEVENS and certainly our colleague on the House side, Representative YOUNG, and commend the majority for introducing this amendment that selects a southern route for the development of natural gas from the State of Alaska.

I believe that while we have supported without exception the designation of the southern route, the amendment in itself is not complete and does not represent the total interest of Alaskans. I will explain that further.

First of all, it is appropriate to note that as far as the responsibility of the Senate is concerned, we have finally met one responsibility associated with the energy bill; that is, to have bipartisan support for the designation of the southern route. It is also appropriate to recognize that the House initiated this some time ago. It is in H.R. 4, the specific designation of a southern route.

I was very glad to see the leader was so anxious to bring this up as the first amendment from the majority. It shows that Alaskans can prevail—our Governor, our Lieutenant Governor, Senator STEVENS and myself, Representative YOUNG.

On the other hand, in the interest of full disclosure, it is appropriate to note that my objection, when the majority leader asked unanimous consent to terminate reading of the amendment, was that I had not seen the amendment and believed it should have been read. I have seen the amendment and, as a consequence, believe that while the amendment, certainly in general terms, addresses the bottom line—namely, the southern route—it does not address what Alaskans want. What Alaskans want is a little broader series of alternatives.

I will be working with the majority in hopes that we can include that in the amendment. Of course, I will be a cosponsor of the amendment.

Specifically, what Alaskans want is to have alternatives for that gas, that 37 trillion cubic feet of gas that lies beneath the oil fields of Prudhoe Bay. What are those alternatives? They primarily are associated with utilizing that gas in Alaska on several alternative routes if, indeed, the economics support routing. As the President is well aware, our oil goes down to Valdez, AK, through the 800-mile pipeline and moves down the west coast of the United States to Washington, to California, where it is refined.

There has been for many years promotion of an idea that one of the potential markets for Alaska's gas—because there is every reason to believe we are going to find more gas than the 37 trillion cubic feet we found accidentally hunting for oil—is the ability to liquefy that gas and either ship it down the west coast of the United States or ship it to the Orient. There have been projects where millions of dollars have been expended exploring the route. Not too many people in this body know that in the early sixties, the first LNG in Japan came from Alaska, a million tons a year. That contract has been renewed and a new fleet of ships has been built. Alaska is no stranger to exporting LNG. It came from a field near Anchorage, and the reserves there are somewhat limited or we would be exporting more LNG from that point.

The point of this discussion is to make sure that we are not solely bound to this southern route that is offered by the Majority Leader. I might add that we are going to have some charts to show you because I think it is important that you understand that the southern route, as it is conceived, from the Prudhoe Bay area, follows an existing pipeline approximately down to Fairbanks. Then it takes off in Fairbanks and goes down toward the delta area, where it branches off and goes to Valdez.

This amendment, in general, would cover the southern route, the highway route. But we want to make sure it does not exclude, if you will—because the possibility of exporting LNG is very real, and it has been promoted for some time—I want to make sure that is included as an alternative.

Secondly, we have every reason to believe that in the area associated with Point Mackenzie in the Matanuska Valley, where they are putting in a port development, that we have the availability of gas to come down from Fairbanks, perhaps under the railroad right of way, and come into the particular area ahead of Cook Inlet and the Matanuska Valley, where there is a port being built.

Then there is the recognition that Anchorage receives most of its gas from the fields of Cook Inlet and the Kenai area. We want to make sure Anchorage has access to this gas. Further, we have large petrochemical plants in Alaska—the only year-round manufacturing facilities we have, as a matter of fact, so we think they are large, but they are small by U.S. standards, like the ones down on the Kenai Peninsula. So I don't want to see this amendment limited to strictly a southern route so that would market the gas only through Canada and into the lower 48. We want the market to dictate where this gas goes. It is important.

Unfortunately, the way this was handled, I can only assume that there is a process here that might involve a little politics. I was prepared to offer, in my amendment—which would mandate a southern route—that would specifically contain alternatives that are certainly in the interest of Alaska. I have not seen the correspondence from our Governor or Lieutenant Governor to the majority. So I cannot comment on how broad the request was from the standpoint of inclusion and having alternatives. But I know from my contacts with Alaskans they want alternatives, and they don't want to be limited by this amendment to one specific designated southern route that would not allow the availability of those alternatives.

Let me put it another way. We want to make sure the market dictates the alternatives of either bringing it down toward Anchorage, bringing it down toward the Kenai Peninsula and the Matanuska Valley and the port that is under development there, as well as having the availability of bringing it further down toward the delta and then down to Valdez, where we could liquefy it.

So I am very sensitive about this and hope that we can work with the majority to include in this amendment a comprehensive accommodation, since we are so interested this morning—I must say I am very pleased that this isn't the first amendment of the majority where they chose to be responsive to our concerns in our State. Again, I remind my colleagues that H.R. 4, of course, already designated a southern route. But I sense a certain eagerness to accommodate a gas pipeline, and I am wondering to what extent. I have the strange feeling that it is at the expense of ANWR.

We are going to have an opportunity to talk about ANWR and to provide an amendment. But I think there is an interesting point that has been overlooked. Since the majority was so anxious to accommodate us, in the sense that we have had this issue before us relative to the gas pipeline for so long, I am curious to know why it wasn't in the underlying bill. But beggars cannot be choosers, and it is in here this morning and I am very pleased.

I see my good friend seeking recognition. I will respond to his question.

Mr. BINGAMAN. Mr. President, I thought it appropriate that I try to respond to the Senator from Alaska. I tried to explain earlier that my thinking at the time we put the bill together for consideration in the Senate was that we should bring a bill to the Senate floor that was route neutral. We had received urging that we prohibit use of the northern route. But it did not seem to me, knowing what we did at that point, that was the right course. Since then, we have gotten more information from the Governor of Alaska, from the Senators from Alaska, from the environmental community, and from those who currently hold a right of way to construct the pipeline under existing law. It seems to me the weight of the evidence is clearly in favor of the amendment that Senator DASCHLE has now proposed and for which I think we have good bipartisan support. I point out also that this amendment does not limit options as far as where the pipeline goes, except that it prohibits the use of the northern route. That is what it does.

Clearly, I think the consensus now in the Senate among those I have spoken to is that is the correct course to follow, and I think that is what we are trying to do by this amendment.

Mr. MURKOWSKI. Mr. President, I appreciate the response of my good friend, Senator BINGAMAN, and he is my friend. We have worked on this issue. I appreciate his explanation. But I have to refer to the fact that route issue has been around for a while because the House had it in its bill. Of course, we were not a party to the process of developing the underlying bill as the minority, so we didn't have an opportunity to address the route issue, and the bill came in route neutral.

Today, it is no longer route neutral. We appreciate that fact. We will cosponsor it, but we are going to add a little more to it. I am sure the majority would agree it is in the interest of Alaska, since we are anxious to make that accommodation. Again, we are most appreciative. But it didn't just come up. It came from H.R. 4, and we have always been in favor because, obviously, the other alternative is simply to take the gas over the top, so to speak, as you can see, from Prudhoe Bay. You take it along the Arctic Ocean off the 1002 area of the Arctic National Wildife Refuge, over into Canada, and then come down.

Obviously, that is in the best interest of Alaska, not in the best interest of jobs.

In any event, the amendment is the pending business. We are going to have Members talk this morning, giving their opening statements on the energy bill. I believe there is an effort to accommodate our friend from Utah for a short statement on the successful Olympics. We certainly congratulate him and his colleague for providing us that great, extraordinary experience.

There are a couple more comments I do want to make relative to the comparison between the gas line development and the prospects of whether or not some see it as a tradeoff for ANWR. I assure the majority that these two issues are not quid pro quo issues; they have to stand on their own, as they should. It is unfortunate they have come up in the same time sequence, but that is the reality of the way things happen.

Again, as we look at where we are in the debate, as we look at the reality that the majority has chosen this as their first amendment, had we had an opportunity to offer the first amendment, it would have been a similar amendment, but it would have been more inclusive for Alaska allowing for alternatives.

I want to make sure my Alaska friends know the order of preference. When you are in the minority, you are in the minority. That is the harsh reality. The majority has every right to present this as their first amendment. But I want to make it very clear, had they not, we would have presented this as our first amendment. It would have been broader. It would have been more inclusive.

I have a couple more points to make. Again, this amendment does not address the crucial underlying feature associated with this gas line. This gas is on State lands. The leases belong to Phillips, British Petroleum, and they belong primarily to Exxon. They are the companies that are going to have to build this pipeline or work with a consortium of gas line companies, such as Duke, Williams, El Paso, Foothills.

This is going to be a gigantic project. It is going to cost somewhere in the area of $15 billion to $20 billion. It will be the largest construction project in the history of North America. But it needs a safety net.

What do I mean by a safety net? If we are going to put out that kind of money and the price of gas drops below your cost, as the Presiding Officer knows as a businessman, you cannot stay in business very long.

We are not breaking new ground here. We have seen deep water royalty relief, and that is evident in the drilling that goes on in the Gulf of Mexico. We are going to need something with this pipeline.

We have been communicating with the Governor's office. In fact, we provided most of the information that has come back in a rather roundabout way to the majority because we work with the Governor's office. From Washington, it goes to Juneau and back and makes a rather circuitous route because it ends up with the majority leader of the Democratic Party. This is just politics, but much of the input is ours, and that is an obligation Senator STEVENS and I have. We will do it and continue to do it, even if it makes almost a full circle.

The crux of this is the principals have expended roughly $100 million, evaluating this project, and they say currently, because of the price of gas, it is uneconomical. Mr. President, you know what that means, and I know what that means, and I am not very happy about it. But at the current price of gas, it is not economical.

On the other hand, on the positive side, the prospects for development are good because we are pulling down our gas reserves in the United States much faster than we are finding new gas reserves. There is no question this gas will be marketed. There is a question ultimately of whether it will be just the U.S. domestic market or an LNG market in the Pacific rim. The economics dictate, but in order for this to be built now, there has to be some arrangement that if the price of gas falls below a certain level, there is a safety net.

Who is going to underwrite that safety net? Obviously, we are looking toward the Federal Government, the same as we do in deep water royalty relief in the Gulf of Mexico. In Alaska, we have a frontier area; we do not have the infrastructure. What is different about our gas is it is nearly 3,000 miles away from the Chicago market where ultimately the volume is anticipated.

It is not that our gas is different, but it has to be moved further, and to move it further costs more money. What we need in this equation is a safety net that perhaps could be paid back when the price of gas goes over a certain level.

We are not looking for a handout. But the problem we have is the mechanics are not done yet. We do not know how it scores. I do not know that the people who are in the business of scoring really understand, but the concept is fair and equitable, and we are going to pursue it. I am very happy the majority is going to pursue it with us.

While route selection is vital and important, it does not build the project. The only thing that is going to build the project is the economics, and that is what we are working on.

We have Exxon, BP, and Phillips as primary partners. However, as you know, they are not all the same size. Some are a little bigger and take a little bigger risk.

I want to make the record very clear on what we have done today as we have designated a route, and we are going to broaden it with alternatives, but the real crux is coming up with this safety net.

It is fair to close with my wariness, if you will, that suddenly we have this broad support for a gas line, but is it at the price of ANWR? As I indicated, as far as Alaskans are concerned, there is no quid pro quo; these have to stand independently. I do not want to hear Members say: I am for you on the gas line but I am against you on ANWR. Members should be making a decision on what is right for America.

As a consequence, I point out that perhaps our Governor could intervene, as he has in communicating to the majority with regard to the language designating a southern route. I suppose I could send something up asking the Governor to intervene on ANWR and maybe he could prevail upon the majority to include ANWR in the amendment, but I assume that would not stand the test of time. His support might be able to overcome the threat of a filibuster by the majority because Senator DASCHLE has already indicated they are prepared to basically filibuster, filing cloture, requiring 60 votes. I hope that if the Governor is as successful this morning on the route designation, he might be able to address the ANWR issue as well.

Again, we have to understand politics. So as we look at where we are, I think we have to recognize we have a gigantic project that is before us that is in the interest of the United States. I am talking about both projects because they are different. The majority whip has made his comments relative to jobs. The interesting thing is we import about 15 percent of our natural gas in this country, primarily from Canada, but we import 58 percent of our oil. That ought to address some concerns about the vulnerability of the country.

I hear a lot relative to jobs in this debate. The jobs in ANWR are all American jobs, but if one looks at that pipeline that the majority has in their chart, look how much goes through Canada vis-a-vis how much goes through Alaska. No question, there is probably two and a half to three times more activity that will take place in Canada. Those are going to be Canadian jobs, but opening ANWR will create all American jobs. I am sure the majority has been contacted by labor and labor has indicated how important those jobs are to America.

We need to understand the project a little better. We need to have more

Members visit the area. We need to recognize this project is designed to be constructed using 52-inch X–80 steel.

How many steel mills in the United States make this steel? Zero. This is an order that is estimated to be somewhere in the neighborhood of $3 billion to $5 billion. Do you know what they say? We are not geared up to it.

I do not know about the Chair, but I am inclined to think, as a businessman, if he had an order that big, he would start figuring out a way to try to participate. I certainly would.

What happened the last time we built an 800-mile pipeline for oil? Do you know where the pipe was built? In Japan, in Korea, and Italy. Why? Our steel mills were not geared up. In other words, they could not compete. Well, that is another argument for another day. We have quotas on steel, but clearly this is the biggest order ever contemplated associated with the natural gas issue. So I hope this will be an awakening to the American steel industry that there is some business at home, big business. They have not had a $3 billion to $5 billion order in a century. It would take the entire output of the steel mills in Korea and Japan for nearly 2 years to build this gas pipeline.

So we are going to have an interesting debate. I hopefully have cleared the air on the amendment. I look forward to the debate.

I ask unanimous consent that I be added as a cosponsor on the amendment.

The PRESIDING OFFICER (Mr. NELSON of Florida). Without objection, it is so ordered. The Senator will be added as a cosponsor.

Mr. MURKOWSKI. I hope we will be able to work with the majority to expand the amendment as Alaskans have expressed their desire to have various alternatives for the marketing of our gas. I thank the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I know there are other Senators wishing to speak, so I will be relatively brief. I say to my friend from Alaska, it would be appropriate on something this important to the State of Alaska that we have a vote on it. We want to make sure when this matter goes to the House they recognize the entire Senate supports it. So I ask my friend if he is ready for a vote, not immediately but sometime in the near future?

Mr. MURKOWSKI. If I may respond, it is very possible we may have a second degree. We have an objection on our side that we have to clear as well. So I agree with my colleague ''at some point in time,'' but it is premature at this time on our side.

Mr. REID. What I say to my friend from Alaska is, we understand there are always things that can be improved and we will certainly look forward to working with the Senator, and Senator STEVENS, as to how we can improve this amendment, but in the near future I hope we can vote on this issue. If there is anything that the Senator needs or believes is appropriate to improve it, we can work at the staff level and then with the principals. We will be happy to do that.

I say to my friend from Alaska, for whom I have the greatest respect, this is quite interesting. I wish Nevada had the choices that Alaska has today. That is, this bill is going to give Alaska something. It is a question of how much. It is a question of whether Alaska is going to get ANWR and this pipeline or just get the pipeline. But there is no question that Alaska, after this legislation passes, is going to have the hope of a significant number of new jobs.

As the Senator from Alaska knows, I do not favor ANWR and we are going to have a debate relatively soon on that. I hope we can fix the debate on that issue and resolve it after everyone has an opportunity to say what they want and move on to the rest of this legislation. Whoever in effect wins, let us move on. It is a question of who has 60 votes, I guess, in this Chamber. So I look forward to that.

I also say that not only is Alaska looking to this legislation with favor but there are lots of others looking to this legislation with favor, not the least of which, as the Senator from Alaska has said, are the steel companies and steel workers in America.

I agree with the Senator from Alaska we can bring our steel mills back into production. With what the President did yesterday, it certainly is a step in the right direction. If we pass this legislation, hopefully they can get geared up to move forward.

One of the problems we have, of course, is companies are no longer just American companies, they are international companies, and sometimes they do not look at building things in America in the right light. So I recognize other issues are important to address with respect to the pipeline, and we want to work with the Alaska delegation, including the Governor, in good faith, in moving these matters forward.

The two items in this amendment are noncontroversial and do not prejudice other concerns that may come up at a subsequent time. We hope there can be agreement to vote on this amendment soon and continue to work on the other issues. I think it would set a great pattern for this legislation, to have a bipartisan vote moving forward with something that is extremely important.

The House bill did not address any of the other issues raised by Senator MURKOWSKI. The amendment is broader than the House language—not a lot, but it is broader. The amendment bans the northern route and does not specify where the southern route will go, but we know it will go through Alaska. So I hope the Senators on the other side will allow us to have a vote in the near future and move on to the next amendment which will be offered by Senator MURKOWSKI.

It is my understanding, based upon what Senator MURKOWSKI said, that Senator BENNETT is wishing to speak as in morning business. Is that right? And if I could ask a question of my friend from Utah, who I am sure is very proud of being able to talk about the way the Olympics went off—Utah should be very proud—how long does the Senator wish to speak?

Mr. BENNETT. Mr. President, somewhere between 15 and 20 minutes.

Mr. REID. Mr. President, I yield to my friend from Alaska.

Mr. MURKOWSKI. If I may respond, the Senator from Kentucky seeks recognition also.

Mr. REID. I was going to get to that.

Mr. MURKOWSKI. We generally agreed, subject to the Senator's concurrence, that we would do that in the order of the Senator from Kentucky and then our friend from Utah.

Mr. REID. I will bet my friend, the Senator from Kentucky, the hall of famer, is not here to brag about Alaska.

I ask unanimous consent that following the remarks of the Senator from Kentucky, the Senator from Utah be recognized as in morning business for up to 30 minutes.

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

Mr. MURKOWSKI. Mr. President, before I recognize my friend from Kentucky, I say I think it is rather interesting to reflect on the contentious portions that are in this bill. Everything focuses either on ANWR or the gas line. The electricity portion could be very complex. CAFE is going to be agonizing. Renewables are going to be agonizing.

I was somewhat alerted by the whip who indicated this vote will be a 60 vote. Ordinarily, on issues around here, 51 votes are enough to carry. But it is important to recognize the ground has already been laid, and the reason is interesting. It is contentious. When our national security is concerned, we should do all we can not to limit our options. I am fearful we are limiting our options.

The House bill only prohibits the ''over the top'' route, which is what the whip alluded to. This would clearly address this point, and it would provide the alternatives that the economics dictate.

Mr. REID. Will the Senator yield?

Mr. MURKOWSKI. I yield.

Mr. REID. I say to my friend from Alaska, I recognize the many complicated and controversial issues in this legislation that are now here, or will be through amendment.

This is not one of the weeks where we say if we finish Thursday we will have no votes on Friday. I know this will take time. I understand that.

Mr. MURKOWSKI. I am not going anywhere. I want everybody to make sure they understand that clearly from the beginning this whole process was designed—and I don't think we are fooling anybody—to ensure that the

committee of jurisdiction did not get a chance to vote on it. An ANWR amendment would have been part of this bill because we had the votes. That is the bottom line.

We have gone on from there into this extended synergy, which I do not think is in the best interests of the Senate.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I rise today to talk about the pending energy bill. I am glad we're finally having this debate. It has been a long time coming.

We desperately need a commonsense energy policy. Ever since the Arab oil embargoes over a quarter of a century ago, Congress has talked about passing a serious energy bill. Now is the time.

Coming after the tragic events of September 11, it is more important than ever that we have a policy that not only helps us meet our energy needs, but also protects our national security. In the past Congress has failed to make progress on energy because we have fallen into the trap of choosing between conservation and production.

But now I think that we have escaped that trap and reached the point where most of us in the Senate understand that a balanced energy policy must do both—it must help boost production of domestic energy sources as well as promote conservation.

The bill before the Senate today is a decent starting point that attempts to strike a balance between conservation and production.

There are some parts of the legislation that I support. For instance, eventually we are going to get a chance to vote on clean coal technology and ethanol provisions that are important to my State.

I also like the tax proposals coming from the Finance Committee that would promote conservation and the expanded use of cleaner burning fuels.

But overall the bill is too weak on production and contains several provisions that must be changed before the Senate finally passes a bill.

First of all, we need to look at improving the production side. We must have an energy policy that helps reduce our dependence on foreign oil. This means that we have to finally get serious about ANWR.

We deserve to have a straight up or down vote on ANWR. It's clear that a majority of the Senate supports safe drilling in ANWR.

It is the most promising source of domestic energy we have. It is critical to our future and our national security.

But because of the procedural gymnastics from the majority, it looks like we're not going to get a fair shot at voting on ANWR.

That is wrong. ANWR is too important and the stakes are too high not to let the Senate work its will on this matter.

I know that there are some in the Senate who are desperate to stop us from opening up in ANWR. The facts are not on their side. And a few of those facts bear repeating.

ANWR is roughly the size of South Carolina, Maine, Massachusetts, Rhode Island, Vermont, and New Hampshire combined. It is absolutely enormous. But when we talk about drilling in ANWR, we are talking about clean drilling in an area of less than 2,000 acres—smaller than many airports in the United States.

To say that drilling in this limited portion of ANWR threatens the entire environment of the refuge is far-fetched and alarmist.

Recent advances in technology enable us to successfully extract oil in ANWR in an environmentally sensitive way. The old stereotypes of dirty oil drilling just don't apply anymore.

In fact, if we do start exploring in ANWR, the drilling operations would be conducted under the most comprehensive environmental regulations in the world.

We all want to do what we can to protect our world. But it is just not credible to say that looking for oil in this one small, limited part of ANWR is a dangerous threat to the entire region. Many of the environmentalists fail to see that if we do not begin oil production in ANWR, oil companies in the Middle East, Russia, and elsewhere—places where environmental regulations are much less restrictive than ours or even nonexistent—will take up the slack.

Opening ANWR now might actually end up being more environmentally sensitive than the alternative. We also cannot escape the fact that drilling in ANWR, and boosting our domestic energy production, is vitally important to our national security.

Right now we import 57 percent of the oil we use and the number is expected to jump to 64 percent by 2020. There are more than 10 billion barrels of oil recoverable in ANWR. That's enough to fuel all of Kentucky's oil needs for 82 years. That is also enough oil to replace the volume we currently import from Saudi Arabia or Iraq for the next 25 years.

Drilling in ANWR provisions would not only make a tremendous difference for our domestic consumption, but would constitute a serious step toward ensuring our national security.

If the choice comes down to drilling in ANWR and lessening the chance that we will have to rely on Saddam Hussein and others in Middle East for our oil, then there is no choice at all.

Today we produce less oil than we did in World War II. We must reverse this trend. Drilling in ANWR won't change things overnight, and no single source can totally end our dependence on foreign energy.

But opening ANWR and boosting production are vital to this bill and to our national security.

On a different subject, I also think that we need to take a long look at the CAFE provisions in the Kerry/Hollings language in the bill. Currently, the CAFE standards are 27.5 miles per gallon for cars and 20.7 miles per gallon for light trucks.

The Kerry/Hollings provision in the bill would require a combined fleet fuel economy standard for cars and trucks to go to 35 miles per gallon by 2015. Their provision also would expand the definition of ''light truck'' to include vehicles up to 10,000 pounds. That would cover most SUVs and minivans.

Because the Kerry/Hollings provision changes current law by combining cars and trucks, that means that even if auto manufacturers can achieve 28 miles per gallon for their light trucks, some manufacturers will be forced to boost their car standards up to 50 miles per gallon just to reach the overall 35 miles per gallon average. That's a dramatic jump from the current standards, and pushes too far too fast.

The National Academy of Sciences recently studied this issue and the implications of raising CAFE standards on vehicle safety.

NAS found that rapid increases in fuel economy standards for cars in the early 1980's likely contributed to thousands of additional highway deaths.

Back then, auto manufacturers reduced the size and weight of their vehicles to help meet the new standards. But because the CAFE standards were raised too quickly, it turns out that making cars more fuel efficient also made them more deadly.

Today, one of the main ways for a manufacturer to increase its CAFE standards is to downsize its fleet. In fact, since 1978 vehicles have shrunk in weight on average by more than 1,000 pounds per vehicle.

At the same time, the death toll from car crashes has increased. Statistics show that in the last 25 years since fuel efficiency standards were first imposed, more than 40,000 people have died in crashes in which they might have otherwise survived had their vehicles been heavier.

While more people have died because of the increased fuel efficiency, our fuel economy is not much better than it was in 1970. Much of this is because consumers have chosen bigger cars. They want SUVs and minivans to haul their children to soccer games and to go on vacations. And they want larger vehicles because they are safer, more comfortable, and more powerful.

Consumers obviously are not asking for this mandate because they are choosing to continue to purchase larger vehicles despite other choices, including less expensive ones.

Kerry Hollings would overly regulate consumer choice at the expense of safety.

Because Kentucky has become one of the leading auto producing States in the country, I am also worried that the Kerry/Hollings provision would affect jobs. When the CAFE rules went into effect before, manufacturers spend huge sums of money to comply with the new rules. Because of that, many workers were layed off to help cut costs.

Today over 160,000 Kentucky workers are employed in the auto industry or in a job dependent on car manufacturing. That's almost 10 percent of my State's workforce. But many of these jobs will be at risk if the Kerry/Hollings provision in this bill becomes law.

I believe in increasing fuel efficiency in vehicles. I think we can and should do more on this front. But I do not believe that Congress picking a number out of thin air and mandating a target for manufacturers to hit is the way to go. Instead, I think we need to do what we can to encourage sound science by the industry that makes sound, incremental changes in fuel standards.

Finally, I would like to say a few words about the procedure that was used to bring this bill to the floor. The process that this bill went through to finally reach the floor was a sham. Last October, when the Energy Committee was finally going to begin marking up the bill, it was abruptly pulled at the last minute. Then the Democrats began working on their own proposal. Now almost 6 months later we finally get a chance to see their handiwork.

As I said at the beginning of my remarks, there are parts of it that represent a good starting point. But there are serious problems with the measure, problems that probably would have been fixed in the Energy Committee. But because they did not have the votes in committee, the Democrats short-circuited the committee process and brought the bill straight to the floor.

These procedural shortcomings have helped produce a flawed bill. If the legislation had gone through the usual legislative process, it would probably be a stronger, better bill. Many of us have to ask why did the majority do this. The answer appears to be that there was a fear that the energy bill coming out of the committee would include provisions such as ANWR for which we have the votes and that the majority leader decided to have this debate on the floor instead.

That is fine. That has happened before around here. But that also means that we deserve to have a fair shot with our amendments on the floor. It's one thing to shut us out in committee, but it's a whole other matter to try to do so on the Senate floor as well.

Let's have the debate on ANWR, on CAFE, and on other provisions and see where the votes are. If the full Senate is going to work its will on a sound policy, that's the least we can do. Anything else is going to produce a flawed, unbalanced bill that is not going to reflect well on the Senate and is not going to help the country.

We need a sound energy bill and we need it now, and the best way to pass a constructive bill is to have a full, healthy debate on the floor about all of the issues involved—ANWR, CAFE, and all of the rest.

If we have this debate, I think we can produce a balanced bill that increases production and conservation, produces jobs and makes a difference for our national security.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, before the Senator from Utah begins his statement, I ask unanimous consent that following the statement of the Senator from Utah, Senator JEFFORDS be recognized for up to 30 minutes, and following that, that Senator FEINGOLD be recognized to speak as in morning business for up to 10 minutes.

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

The Senator from Utah.

THE OLYMPIC GAMES IN UTAH

Mr. BENNETT. Mr. President, I appreciate the opportunity of sharing with my colleagues a summary of what happened in the Salt Lake games that took place the first 2 weeks in February, where the world came to Utah and was received in the spirit of the Olympic flame.

The Olympic Games are one of the few events, if indeed not the only event, where the world comes together in a non-political arena. There was substantial effort that went into these games, both on the part of the people of Utah and the Federal taxpayer. So I think it is appropriate that we have a summary and report to this body on that experience.

If I may, I would like to begin with some numbers. I know that is usually not the way to begin a public speech that you want anybody to listen to, but there are some numbers that outline the scope of these Olympics that I think are irreplaceable as an example of what went on.

These were the largest Winter Olympics in history, and Salt Lake City was the largest city to host a Winter Olympics. In the past, they have always been held in relatively small ski villages. This is the first time a major metropolitan area has been chosen as the host of the Winter Olympics. Some will argue with that and say Sarajevo was a major city, but Salt Lake City is the largest city that has ever been host to a Winter Olympics.

It was the largest number of athletes who have ever come to a Winter Olympics—2,500. They came from the largest number of countries ever represented at the Winter Olympics, 78, and they competed in the largest number of events—also 78. We kept adding sports to the Winter Olympics for this experience.

Three and one-half billion people watched the opening and closing ceremonies that were held in the Rice-Eccles football stadium at the University of Utah. Sixty-seven thousand people signed up to be volunteers—the largest volunteer pool ever created. Only 24,000 of them could be accommodated.

One of the interesting statistics—I don't have the final number—but far into the games, I was told, that of those 24,000 volunteers, only 77 were forced to withdraw for one reason or another: A health problem, a family emergency, what have you. The volunteers were a spectacular part of these Olympics.

There were 9,000 credentialed media that showed up to cover the Olympics. It was, as I say, the largest Winter Olympics in history.

In recognition of the size of the Olympics, it was declared for the first time as a National Special Security Event under Presidential Decision Directive 62. That directive, issued in the Clinton years, established national security events where the Secret Service would take the lead in managing the security. This is the first time the Olympics have ever been designated a National Special Security Event.

The zone of security for the Olympics covered over 900 square miles from Provo to Ogden. That was the largest coordinated area the Secret Service and other law enforcement people have ever been asked to guard—perhaps with the exception of the District of Columbia as a whole. Even at the State of the Union Message, you don't have an area as large as the area covered by these Olympics.

In order to meet the challenge of this security responsibility at these Olympics, we had 1,100 FBI agents, we had 2,000 Secret Service agents, and there were law enforcement officers from 48 different States.

As I went through one venue, I noticed on the sleeve of one of the law enforcement officers the badge of the Police Department of Gallup, NM. Law enforcement officers from 48 States came to help their Utah colleagues provide security for the games. Over 2,400 Utah law enforcement officers gathered from all over the State. There were also 2,400 military personnel—primarily National Guardsmen who came from six different States. And there were 2,200 fire and emergency response individuals. This was an incredible army of security personnel assembled to provide security for the athletes and spectators.

What did they handle? There were over 3.5 million spectators who went through magnetometers during that 2-week period—3½ million people processed on a time-frame. There were some who didn't get to their events on time. But overwhelmingly the ticket holders got to their events, went through the magnetometers, and were properly screened. There were 80,000 spectators processed each day through the magnetometers at Olympic Square. There were over 1,000 trucks processed carrying 250,000 tons of material and product. They were processed. They were screened. They got where they needed to go on time. It was an incredible security and logistical performance.

When the Attorney General was out there, I was with him, and we were