

## STRATEGIC PETROLEUM RESERVE

Mr. WYDEN. Mr. President, at a time when there are record gasoline prices for the American consumer and record oil company profits, the Bush administration is filling our Strategic Petroleum Reserve at 2½ times the average fill rate. Over the last 2 years, the average fill rate has been about 120,000 barrels a day. Recently, it has been hovering around 300,000 barrels a day. Using the figures provided by the administration's Energy Information Administration Office, these policies would raise the price of oil per barrel about \$1.50.

I come to the Senate today to say I believe the Bush administration's policies with respect to the Strategic Petroleum Reserve are hitting the American people with a double whammy. For the American people, more of their tax dollars are now being spent for filling the Strategic Petroleum Reserve and more of their take-home dollars are being spent on gasoline at the pump.

I come today to say if the Bush administration is not willing to at least reduce the fill rate of the Strategic Petroleum Reserve, I ask the Bush administration to stop filling the Strategic Petroleum Reserve with a fire-hose. It is that simple.

Over the course of the year, the administration may say, we reach an average fill rate of 120,000 barrels a day. There is a great amount of oil in some months and no oil in other months.

To that, I say the months before the peak driving season, when gasoline is already at record prices, are not the months to go whole hog in filling the Strategic Petroleum Reserve. This is not the time to pour in the maximum amount of oil. One reason is because oil prices are already so high that American taxpayers are spending top dollar for the oil being put into the reserve. Anyone who has ever had to run their own family finances knows when prices are high, sometimes you wait until the price comes down to buy what you want.

There is another, more compelling reason to slow the rate of fill in the Strategic Petroleum Reserve. It is because this administration's policy is actually contributing to the high gas prices shellacking working Americans' pocketbooks every day from coast to coast.

I am of the view the American consumer is about to get hit by a perfect storm with respect to these gasoline prices. The combination of OPEC cutbacks, the fact the Federal Trade Commission—the agency that is supposed to protect our consumers—is sitting on its hands, the fact you actually get a tax break for closing a profitable oil refinery, these Strategic Petroleum Reserve policies, is going to create a perfect storm that is going to be devastating for American consumers across our country.

I know my colleagues are here and want to talk about this issue, as well, so I will abbreviate my statement.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from the great State of New Jersey.

Mr. CORZINE. Thank you, Mr. President.

Mr. REID. Mr. President, will the Senator yield in order for me to make a unanimous consent request.

Mr. CORZINE. Certainly.

## ORDER OF PROCEDURE

Mr. REID. Mr. President, on the Democratic side, how much time do we have?

The ACTING PRESIDENT pro tempore. Twenty-five and a half minutes.

Mr. REID. Mr. President, we would, on this side, yield 7½ minutes to Senator CORZINE, 7½ minutes to Senator SCHUMER, and 7½ minutes to Senator BREAUX. I ask unanimous consent that be the order.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from New Jersey.

## GAS PRICES

Mr. CORZINE. Mr. President, first of all, let me go back and compliment my colleague from Oregon, who I think has analyzed a problem that fits into a pattern of economic pressure that we see building on the middle class in America.

There is nothing more fundamental today in life than filling the car with gasoline and using it for commuting and taking the kids to school and doing all the normal tasks that we have going on. We see the same problem, by the way, with health care costs, tuition costs, and with property taxes across this country.

While there may be some good economic statistics out there, middle-class Americans are being hit unbelievably hard on the fundamentals that drive their basic budgets. Nothing—nothing—more clearly demonstrates this than these rising gasoline prices we have been experiencing this year. There has been a 23-cent increase in the price of gasoline. Nationally, the average price for gasoline is \$1.84 a gallon. Many places in the country it is over \$2 a gallon.

This comes from flawed simple economics 101, supply and demand. This administration is doing everything that you can imagine to hold back supply by filling the petroleum reserve at accelerated rates, when it is already about 95 percent full. It does not need to be in this position.

As we go into the summer season, the "perfect storm" the Senator from Oregon talks about is also being implemented with regard to other policies. It is counter to any basic economic analysis that you would want, to be taking supply off the market that would run down prices. I don't know what people are thinking when they implement policies that are going to restrict sup-

ply, and when they are unwilling to confront OPEC as they are cutting back supply. What we are getting is the natural result of rising prices, which is coming right out of the pocketbook of middle-class Americans. It is just absolutely wrong.

If you are cynical, you can also say, well, maybe it is because some people benefit from these higher prices. Being someone who worked in the private sector for 25 years of my life, I don't think profits are a bad thing. But when the American people are suffering from this erosion of their quality of life—because of the rise in property taxes, health care costs, tuition costs, and now gas prices—you wonder why it is so appropriate that Exxon-Mobil's profits were up 125 percent in the first quarter of this year; BP's profits were up 165 percent; and Chevron-Texaco's profits were up 294 percent. Is that economic fairness, in any context, particularly when you put it into the perspective that what the Bush administration is doing is restricting supply?

This is just wrong. It is out of the context of what is best for the American economy and for growth and the quality of life of Americans. It needs to be addressed. We are creating a windfall for American business at the expense of middle-class Americans. And it is happening day after day after day.

I do not begrudge profits, but I don't think it ought to be done on the backs of the American middle class because of the general macroeconomic policies of the President. And that is exactly what we have right now. It is wrong and needs to be pushed back, just as we need to confront Saudi Arabia with regard to its leadership in OPEC. If they are our ally, as they claim to be, then we ought to be speaking to them about increasing the production of oil out of OPEC as opposed to the restrictions we have seen.

From what we understand from all news reports and actually the Saudi Foreign Minister has said, there has not been one word of contact from this administration to the Saudis about OPEC production.

So now we have two of those very large ingredients into the supply and demand equation. That is why we are getting high prices. That is why gas is \$1.84 a gallon, on average, in the country. And that is why it is \$2 a gallon on the coast and most of the places where our larger population segments work.

It is really troubling we cannot put together a response to something that is eroding the quality of life in the aftertax base of middle-class Americans to actually operate in a sound way. So I hope we will all follow Senator WYDEN's lead. He has done a terrific job of bringing focus to it, as has the Senator from New York, talking about pushing back against OPEC on production cutbacks. We really need to take a stand for the American people, not for the oil companies and the profitability we are seeing brought forth.

At a time when we still have not recovered those 2.6 million private sector