

agenda, and I look forward to debating my amendment tomorrow.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

(Mrs. MCCARTHY of New York addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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#### ENERGY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 23 minutes, half the time until midnight, as the designee of the minority leader.

Mr. PETERSON of Pennsylvania. Madam Speaker, it's a delight to come to the House tonight and talk about an issue that I believe is vital to America's economic future, vital to the strength of our families, of our communities: energy.

I want to congratulate the leadership of the House. Next week is going to be energy week. We are going to be having bills coming from the Resources Committee, the Ways and Means Committee. I think, tonight, tomorrow, we will be dealing with some energy issues in the farm bill, because I personally believe available, affordable energy is the number one challenge facing America.

Now, from what I have seen in the committee structure, and I am hoping when we get to the floor we will have amendments, and we will have more discussion, but there are some concerns. I know that the bills coming to the floor remove incentives to produce domestic energy. That's energy produced in America or offshore. I know there is increases in taxes on domestic energy production. That's extra taxes on those who will produce, process energy here in America. But I see no incentives to produce the basic fossil fuels, oil, gas, nuclear, coal, or some that I think are potentially helpful, coal to liquids and coal to gas.

I have a chart on my left here that shows us the current use of energy, 23 percent clean, green natural gas; 23

percent coal, mostly for power generation. Down here, we have 40 percent petroleum, and a large portion of that is our transportation system, but it's used in other ways too. Then we have nuclear energy in the kind of a light, grayish blue color over here.

Now, the ones we really have all the hope for are here in the 6 percent; that's our renewables. Now you will hear everybody promoting renewables, and we should. But let's look at what amount we today have from renewables, and how we can grow them. We are going to have lots of incentives, and we have had lots of incentives. The 2005 bill had incentives for all renewables.

Solar is .06 of a percent of our energy supply today; .06, that's not even 1/10 of 1 percent. Now the one that surprised a lot of people is biomass, 2.4 percent. A lot of that's woody waste, it's the pellet stove industry, it's waste being burned in boilers to heat factories, to dry wood. Lots of places where they have wood waste, they put in wood-burning boilers. It's also been used to top coal-burning boilers so they can meet air quality standards, because wood burns cleaner than coal.

Then we have geothermal. We know geothermal is using ground heat, ground temperature, water temperature; but it's .36 of a percent. Then we have hydroelectric that's 2.7. That's a figure that's declining because we have actually taken dams out in this country.

Then we have wind, which we hear a lot about today, but it's .12 of a percent of our energy portfolio.

I guess my concern is that we have a growing need of energy in America, somewhere, 2, 2.5 percent a year; and we all know that we must conserve. We must use energy more wisely. This chart shows you that.

But it appears to me that all the hope, and all the faith, and all the incentives are going to be out here. We should have them out there.

But if we don't produce more natural gas, if we don't produce more oil, and if we don't at least develop coal to liquids or coal to gas, then the growth in the renewables will not even meet the demand in the growth in energy use in the country, so it's very concerning.

Now, I believe the one that we really miss out on is natural gas. Natural gas heats 57 percent of our homes. It heats probably 70 percent of our businesses. It's used in huge amounts to make electricity. I think 20 percent of our natural gas is now used to make electricity, and natural gas is a major ingredient in making ethanol.

We currently have 116 ethanol plants, and we have 78 under construction, and seven that are under expansion. Up to 95 percent of these plants, we use clean, green, natural gas to run their boilers to make ethanol. So that is very vital to us that we have adequate amounts of clean, green natural gas.

It's interesting that hydrogen is one that's not a percentage, but it's one

that we talked about in hydrogen vehicles, but the hydrogen we make today is made from what? Natural gas.

Biodiesel, not on the chart, but another item that's starting to perk out there. We use, again, a lot of natural gas to make biodiesel.

Now, the problem we have had in America is we use a lot of natural gas, and here's the reason why: about 12 years ago we took away the prohibition of making electricity with natural gas. When this happened, we started to have a shortage. As the use of natural gas goes up, and we are not supplying more natural gas, we are getting huge price increases. Just 6 years ago, natural gas was less than \$2 a thousand. Last year the average price to homeowners was about \$12.50 a thousand, huge increases.

Now, this has been monumental to business. Dow Chemical, chemical companies use huge amounts of natural gas; 55 percent of the cost of making chemicals in America is natural gas. They use it as an ingredient; they use it as a fuel. Dow Chemical's gas bill in 2002 was \$8 billion, a lot of money. In 2006, it was \$22 billion, and today it's rising.

The problem we have is we have continued to make ethanol, all our chemical plants, fertilizer plants, fertilizer, 50 to 70 percent of the cost of making nitrogen fertilizer, natural gas. Natural gas is an ingredient. All the ladies who like skin softeners, a major ingredient in skin softeners is natural gas.

Natural gas is in our carpets. It's in our drapes. It's in many of our clothes. It's in plastic products; 45 to 50 percent of polymers in plastic cost is natural gas.

All the good industries we have left in this country use huge amounts of natural gas. For the last 6 years, we have had the highest prices in the world on natural gas because we have refused to open up new fields. We have refused to reach offshore. We have made it difficult in many parts of the West to produce natural gas.

We look at it as something evil to drill a 6-inch hole in the ground, put a steel pipe in and let gas out. Yet it's what fuels the country. America is great because we always had cheap affordable energy up until 6 years ago.

Another factor many Americans don't know, and too many Members of Congress don't know is that natural gas is not a world price, when, currently, oil is \$75, \$77 a barrel, pretty painful for our economy, but it's pretty painful for all our competitors around the world too. But for 6 years, America has had the highest natural gas prices in the world. That's something we need to do something about.

We can see a chart here of what it's done to manufacturing. We have lost more jobs in America because of natural gas prices. As natural gas prices have risen, manufacturing price jobs have dropped because the fertilizer industry in the last 2 years, 40 percent of manufacturing went offshore. They are hanging on with a string. If we don't