

**Remarks by Assistant Senate Majority Leader Richard J. Durbin
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I want to thank NDN president Simon Rosenberg, Michael Moynihan, director of NDN's Green Project; and Melissa Merz for inviting me to speak. And I want to congratulate NDN for launching the Green Project. You provide an important forum where we can confront the greatest challenge of our time.

I know what you're thinking. It's the same thing that everyone in America is asking: \$4 a gallon gas is killing America's economy. Out-of-control gas prices are pushing America's families and businesses over the financial edge, they're sucking \$700 billion a year out of our economy and jeopardizing our national security. Why isn't Congress doing anything about it? Why haven't they fixed this crisis?

It's a good question. Here's the answer. I'm going to give it to you in official Senate-speak. This is what the United States Senate did most recently to try to lower gas prices, increase energy efficiency, and increase domestic energy supplies.

"The motion to reconsider the vote by which the motion to invoke cloture on the motion to proceed to H.R. 6049 was not agreed to, was agreed to by unanimous consent;" and

"The motion to invoke cloture on the motion to proceed to H.R. 6049 was not agreed to by a roll-call vote of 53-43."

Got that? You're not alone.

12 times "NO"

Here's the translation: Democrats tried to pass an energy bill. Republicans said no. Again. Twelve times in the last two months, Democrats in the United States Senate tried to debate or vote on bills to lower gas prices, increase America's domestic supplies of gas and renewable energy, save thousands of jobs in America; and create hundreds of thousands *more* good-paying, middle-class, green jobs *in* America *for* Americans. Twelve times, Republicans said no.

Gas is \$4 a gallon and Republicans leaders have put the United States Senate in "park" with the motor running. They are using arcane rules and filibusters – in a record number -- to prevent the Senate from passing energy-relief bills that America needs and the majority of Senators support. I think the current number of filibusters in this Congress as of this morning is 92. The previous record was 54.

This unprecedented use of filibusters is frustrating to us, and I'm sure it is frustrating to the American people who are watching and wondering, "What is going on?"

What this debate is NOT about

First, let me tell you what the energy debate in Washington is not about.

This debate is not about whether gas prices are too high. They are – and it's hurting this country badly.

This debate is not about whether we should expand America's domestic energy supplies. We should. We must.

Real difference: Defining "supply" too narrowly

Here's the real difference – the sticking point in this debate: We hear a lot of talk about supply and demand. Unfortunately, our Republican friends are making a fundamental mistake in their analysis of this issue. They're defining "supply" too narrowly. They are only looking at yesterday's solutions.

Their plan to lower gas prices is: Lease more of America to the Big Oil companies at bargain prices, so they can drill for more oil, which they can then sell at record profits. It's the same narrow vision that has dominated America's national energy policies for the last 7 ½ years under George Bush and Dick Cheney – the same vision that got us where we are today.

There's a simple equation for what has happened in the Bush-Cheney years. Eight years divided by 2 oil men equals \$4 a gallon gas.

Global warming

There are two problems with their plan: Global warming. And global markets.

Here's the problem with global warming: Oil and gas are fossil fuels, and fossil fuels are a major source of the carbon emissions that cause global warming. To try to lower gas prices by finding and burning more oil is, almost literally, throwing gasoline on a fire.

Listen to Paul Volcker. He's no liberal tree-hugger; he was chairman of the Federal Reserve under Jimmy Carter and Ronald Reagan. Listen to his warning about the economic price we will pay unless we start now to significantly reduce global warming:

"[Y]ou can be sure that our economies will go down the drain in the next 30 years ... What may happen to the dollar, and what may happen to growth in China ... pale into insignificance compared with the question of what happens to this planet over the next 30 or 40 years if no action is taken" to curb global warming.

Global market

Then there is the problem of global markets.

Oil is a global commodity. It is sold on a global market. We can produce more oil in America, but there's no guarantee that it will be sold in America.

During the first four months of this year, a record 1.6 million barrels of U.S. oil were exported every day – a 33 percent increase over the same period a year ago. Wrap your mind around that. As gas prices are going through the roof, oil companies are exporting oil produced in the United States.

The U.S. has less than 3 percent of the world's total oil supply. Even if we increase domestic oil production, OPEC could easily cut its output slightly to compensate and keep gas prices rising.

Our Republican colleagues have a catchy slogan: "Find more, use less." But if all they are talking about is increasing America's production of oil, their slogan really ought to be, "find more, useless."

IMMEDIATE SOLUTIONS TO REDUCE ENERGY COSTS

It will take 10 years before the first drop of oil from any new offshore drilling could reach the market. Ten years. And according to President Bush's own energy department, it would have a negligible effect on gas prices.

Open the Strategic Petroleum Reserve

But there are 700 million barrels of oil – paid for with American taxpayers' money – just sitting in America's Strategic Petroleum Reserve. That's oil that doesn't have to be extracted from the bottom of the ocean, or a wilderness preserve in Alaska. It's ready to use immediately. And the American people have already paid for it.

Thirty-six Democratic Senators wrote to President Bush yesterday and asked him to reduce oil prices immediately by announcing that America's Strategic Petroleum Reserve is going to be part of the solution to this energy crisis. That will do more to reduce the price of oil right now than any other action we can take.

If we took oil out of the Strategic Oil Reserve and said we are going to put it on the market, it would send a signal that the United States is tired of being played. We are not going to be victims here.

Where would the President turn for advice about releasing oil from the Strategic Petroleum Reserve? His dad. His father did it during the Gulf War and it worked.

Investigate oil companies for price-gouging

Second, the Justice Department should investigate whether oil companies have engaged in price-fixing.

Crack down on oil speculation

Third, Commodity Futures Trading Commission should reverse its ruling that allowed hedge funds and other big speculators to game the oil markets and send prices far above what normal market conditions should allow.

This Administration ignored the housing bubble and the result has been a disaster. We can't afford to ignore this oil bubble.

Since Democrats introduced our bill banning oil speculation two weeks ago, the price of oil has fallen \$14 per barrel. That's with just the threat of legislation.

The whole world of over-the-counter futures trades and swaps is unregulated and unreported. This has to stop.

Existing leases – use it or lose it

Fourth, there are 91.5 million acres of federal property – offshore and on land – that are currently leased for oil and gas drilling. That land is owned by the American people and leased to Big Oil companies.

Only about one-quarter of those acres are actually producing oil and gas right now. The other 68 million untouched acres could produce far more oil than the Alaska National Wildlife Refuge and all of the protected shoreline the Big Oil companies demanded be opened up for leasing combined.

The reason the Big Oil companies are just sitting on 68 million acres of federal land they already lease isn't because there's no oil there. They are waiting for oil prices to go even higher so they can make even bigger profits. These are the same Big Oil companies that have already done quite well under this Administration. They have made more than \$640 billion in profits since during the Bush-Cheney years.

Instead of demanding that America open up more of our shoreline so that Big Oil companies can tie up more of America's oil waiting for higher prices, we should tell the oil companies: Use it, or lose it. Sadly, the President and Vice President and Republicans in Congress are standing in the way of all of these solutions to high gas prices.

LIHEAP

Fifth, high gas prices are just part of America's energy problem. The next big sticker shock is going to be electric bills and home heating and cooling bills. LIHEAP, the federal program that helps low-income Americans – including many elderly– pay their utility bills, is seriously underfunded.

We bought a bill before the Senate – it was sponsored by Senator Bernie Sanders -- to increase funds for the LIHEAP program. Sadly, the Republicans defeated it.

CREATING A GREEN ENERGY ECONOMY

A second-rate strategy

Tom Friedman has it absolutely right. This is what he wrote this week in *The New York Times*.

Republicans, by mindlessly repeating their offshore-drilling mantra, focusing on a 19th-century fuel, remind me of someone back in 1980 arguing that we should be putting all our money into making more and cheaper IBM Selectric typewriters — and forget about these things called the “PC” and “the Internet.” It is a strategy for making America a second-rate power and economy.

I agree with Tom Friedman.

Clean energy: Not just a necessity, an opportunity

We need a national energy policy that that will keep America the world's economic leader. We need a balanced energy plan that works for all Americans. We need to face the urgent challenge facing America – not just to lower gas prices, as important as that is – but to change the way we power our entire society.

And here is the big picture that Big Oil and its allies apparently don't understand: Expanding America's energy choices and ending our reliance on fossil fuels is not just an economic necessity, it's a huge economic opportunity.

The Apollo Alliance calculates that investments in green technology could create over 3 million new jobs in a decade while adding \$1.4 trillion to our national economy and saving over \$280 billion in energy costs.

Instead of shipping millions of jobs overseas, as America does under this Administration, let's create good jobs in America by investing in Green Energy.

We've seen the benefits of Green Energy in other nations. One example: Since 1990, Britain has cut its greenhouse gas emissions by about 15 percent while its economy has grown 40 percent, and added more than 350,000 new "green" jobs.

Green Energy success stories

Green Energy is already creating good jobs, reducing oil imports and energy costs and building greener, more vibrant communities here in America.

Come to Chicago, where Mayor Daley is determined to create the greenest city in America. Chicago has more "green roof" gardens than any American city. They're not only beautiful, they cut heating and cooling costs significantly. Chicago also has more LEED-certified buildings than any city in America.

Paw Paw's wind farm

Drive west from Chicago about 75 miles to Paw Paw, Illinois and you'll come to the Mendota Hills Wind Farm: 63 gigantic wind turbines generating enough energy to power 15,000 homes in Chicago.

Bloom Energy, Silicon Valley

Go to Bloom Energy in Silicon Valley. Fifteen years ago, all of the venture capital in Silicon Valley poured into high tech. Today, it's Green Energy.

At Bloom Energy, engineers are developing solid-oxide fuel cells that run on – but don't burn – almost any kind of hydrocarbon and produce only half the greenhouse gases that traditional power plants emit. Houses would be powered by their own fuel cells – which means no more transmission lines.

Comcast Center, Philadelphia

Go to Philadelphia, where the tallest building in town is Comcast's new corporate headquarters. It just opened two months ago. It was built to LEED Silver standards, which added a total of 2 percent to construction costs – and will save 35 percent in energy costs.

I asked the folks there, "What did you have to do to meet LEED standards?" They said, "A lot." One example: They had to use all American steel – for a skyscraper. They couldn't import steel from China -- shipping it from halfway around the world would create a huge carbon footprint.

In an economy that accounts for carbon costs – as ours will eventually under a new President – and I have someone in mind – Green Building is a way to reduce our impact, save money, and make this a better world to live in.

A Green Economy can also help restore competitiveness to American steel and other American industries that have been hammered by competition from China and other low-wage nations.

Benefits of energy efficiency

Of course, the cheapest, fastest way to cut our energy costs is to use energy more efficiently.

The last time America embraced energy security as a national priority was in the early 1970s, in response to the Arab oil embargo. In less than a decade, energy use in this country fell by 17 percent -- while GDP grew by 27 percent. Oil imports fell by half, and imports from the Persian Gulf declined by 87 percent.

Dramatically increasing our energy security by increasing our energy efficiency "is not a sacrifice deal," to quote the energy historian Daniel Yergin. "This is a technology deal."

Energy tax extenders

Sadly, Republicans are blocking a bill to extend a package of tax credits to encourage energy conservation and renewable energy.

Why? Because Democrats have said we need to pay for them. Our notion is: Renewable energy and energy efficiency tax credits are important, but they shouldn't add to the deficit. So Charlie Rangel and Max Baucus found a responsible way to pay for the energy tax credits. The target group was the companies that ship jobs overseas and shelter their profits in offshore accounts. But 41 Senators signed a letter which I characterize as "death before taxes."

If the energy tax cuts are not extended, thousands of Americans will lose their jobs. And America will lose critical ground in the global race to develop new Green Energy sources and technologies, and create the Green Energy jobs of the future.

Eight years of looking backwards

One of the very first things George Bush did after he became President was create a secret energy task force and put Dick Cheney and the oil and energy industries in charge of America's energy policy.

For eight years, the Bush-Cheney Administration has slashed programs that promote energy efficiency and renewable energy. When Republicans controlled Congress, they fought proposals to improve fuel efficiency for cars and SUVs. Luckily, with a new Democratic Congress, we were finally able to raise fuel efficiency standards.

Last year, Republicans killed a proposal that would have required 15 percent of our electricity to come from renewable sources.

FutureGen

Finally, I want to talk about a program that matters a great deal to me and to our nation. Six years ago, the Bush Administration announced that its premier energy goal would be a thing called FutureGen. No one had ever seen anything like this. There's still nothing like it in the world.

If there is going to be a future for coal, it has to be environmentally responsible, and I believe this could be it. FutureGen is a global, public-private partnership to build a first-of-its-kind, near-zero emissions coal-fired power plant that will trap carbon dioxide before it is emitted and store it underground.

Four other nations, including China and India, had signed on to the FutureGen International Partnership. So had six U.S. utilities and 4 international companies. All of the partners agreed to re-invest any profits back into the project.

After a long, tough competition, the choice about where to locate FutureGen came down to two states: Illinois and Texas. We thought, that's it. To our astonishment, the group in charge of the project chose Mattoon, Illinois. Two weeks later, Energy Secretary Sam Bodman said, we're killing FutureGen.

We hear a lot of talk about electric cars and plug-in hybrids. If we're going to have electric cars, we need to have a way to power them that won't dramatically increase global warming. FutureGen could be the answer. It could be the technology that makes coal part of the energy solution rather than an energy problem. Now we have to wait for a new President to renew America's commitment to FutureGen.

Conclusion

For eight years, the oil men in the White House and Republican leaders in Congress have talked about electric cars and other transformative technologies that can solve all of our future energy needs. And for eight years, they have cut the R&D and other investments needed to actually develop those new technologies.

America imports 15 percent more foreign oil today than we did when this Administration started. America will spend more this year on oil than on the Pentagon, homeland security, and the war in Iraq combined. American families will spend \$2,300 more for energy this year than they did in 2001. We spent \$152 billion on an economic stimulus package to strengthen our economy. By the time the first stimulus checks were mailed in April, the average family had spent more than their stimulus check on increased gas prices.

We can't just leave it to Big Oil and their friends in government to solve our energy crisis. We need a responsible national energy plan that uses American resources and American ingenuity to meet America's energy needs.

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