



Energy Self-Sufficiency and Security

(Source, unless otherwise noted: House Committee on Resources)

Our increased dependence on foreign sources of energy weakens our economy and our national security. Middle Eastern oil is becoming more and more unreliable, making commerce in America more risky than it should be. When energy sources and prices are unpredictable, employers are less likely to invest in new employees. A strong national energy policy will solve this problem and put Americans back on the job.

The Problem: Increasing Dependence on Foreign Energy Decreases American Security and Weakens our Economy

- ✓ The average price of a gallon of gasoline has increased by 52%, from \$1.34 per gallon in 2001 to \$1.99 per gallon today.
- ✓ U.S. imports of oil have increased by more than 10% since 2001.
 - In 1973, America was 30 percent dependent on foreign oil. Today, the U.S. imports nearly 60 percent of its oil.
- ✓ The price of a barrel of oil increased by 74%, from just over \$23 a barrel in 2001 to more than \$40 a barrel today.
- ✓ The cost of home heating oil has increased by more than 33% since 2001.



Average Fuel Oil Prices (Dollars Per Gallon)

(Source: House Committee on Resources)

- ✓ The U.S. has sent more than \$300 billion to foreign nations for oil. This subsidy amounts to a massive export in American funds when we should be importing American jobs.
 - The U.S. sends more than \$100 billion a year to OPEC nations.
- ✓ According to the U.S. Department of Commerce, America loses 12,389 jobs for every billion we spend on imports. **At today's oil prices, that means America is sending more than 1.7 million jobs overseas for oil every year.**

The Solution: America's Energy Security Depends Upon American Energy Independence

Energy Policy Act

- ✓ The House plan enhances energy conservation, research and development, and provides for security and diversity to the energy supply for the American people.
- ✓ This plan is exactly the same as the comprehensive energy package that passed the House in November 2003 by a vote of 246-180 that Democrat Senators have failed to provide the votes necessary to pass.
- ✓ Had this legislation passed, Americans would not be facing the increased energy costs they do today.
- ✓ **Stimulating the Economy and Creating Jobs.** High energy prices and a deteriorating energy infrastructure have caused home heating bills to skyrocket and forced many U.S. businesses to slow production, lay off workers and even go out of business. The House plan will slow job loss and create approximately 830,000 jobs:
 - Enabling the construction of a natural gas pipeline from the Alaskan North Slope to the lower 48 states will create 600,000 jobs through improved access to natural gas and will promote competition in the exploration, development and production of natural gas.
 - Encouraging the construction of new nuclear reactors will increase America's energy independence while creating thousands of jobs.
 - Building a nuclear reactor creates between 2,000 and 3,000 jobs, while running one creates roughly 1,500 new highly trained trade or professional jobs that pay well.
 - Investing in clean coal technology creates 62,000 jobs.
 - The renewable fuel standard in the plan will create more than 214,000 new jobs while expanding household income by an additional \$51.7 billion over the next decade (Source: Renewable Fuel Association).
 - Increasing our investment in solar energy will create 20,000 new jobs in the industry by 2010 (Source: Solar Energy Institute Association).

- ✓ **Reducing U.S. Dependence on Foreign Oil.** If we continue down the path of dependence on foreign sources without advancing new and innovative ways to improve conservation or increasing our domestic supply, U.S. energy consumption will continue to outgrow production, compromising our ability to remain safe and strong as a nation.
 - With 12 percent of the nation’s electricity produced by hydroelectric power, keeping the dams operating is essential to America’s power supply. The plan will streamline government regulations by improving the costly, time-consuming hydroelectric re-licensing process.
 - The construction of a natural gas pipeline from the Alaskan North Slope to the lower 48 states will improve access to natural gas and promote competition in the exploration, development and production of natural gas to help secure this nation’s energy future.
 - Since coal provides 52 percent of our electricity, funding of the Clean Coal Power Initiative is crucial to America’s energy security. The plan authorizes \$1.8 billion for the Secretary of Energy to carry out this initiative, promoting environmentally safe energy production using performance goals for coal emissions, awarding grants and funding coal gasification projects.

Gasoline Price Reduction Act

- ✓ The proliferation of “boutique fuels” has made it difficult to move gasoline supplies around the country to respond to supply disruptions.
 - There are no fewer than 15 different gasoline blends.
 - If you count the various octane grades, the number jumps to more than 40 different fuel blends being used throughout the U.S. (Source: EPA).
 - This hodgepodge of customized fuel requirements increases production costs, which are ultimately reflected in the price of gasoline.
- ✓ The House plan will cap the number of boutique fuels we currently use at 45, will grant a waiver to areas that experience severe gasoline supply disruptions, and will create a study to determine how many fuels we should use in the future to allow for stable gasoline prices and help maintain the clean air that we breath today.
- ✓ “The so-called ‘boutique fuels’ ... might only add a few cents to the price of each gallon, [but] that petty change can add up to \$11 million a day” (Source: Fox News, 6/4/04).

Renewable Energy Project Siting Improvement Act

- ✓ Energy diversity is critical to our economy and our national security. We need power supplies that are affordable and reliable, secure and sustainable. The House plan helps achieve these goals while fully protecting the quality of the environment.

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- ✓ Renewable energy sources reduce U.S. dependence on fossil fuels.
- ✓ The House plan encourages renewable energy projects – wind, solar, geothermal, tidal, currents, ocean thermal, biomass and others.
- ✓ The plan streamlines aspects of the environmental review process for renewable energy projects on all federal lands without weakening environmental protections.
 - Streamlining the NEPA (National Environmental Policy Act) process does not affect the authority of Federal agencies to disapprove projects that unacceptably impact the environment or that are not in compliance with applicable site-permitting laws.
- ✓ Incentives for geothermal energy will bring between 350 and 500 Megawatts of clean and renewable geothermal energy online over the next three years.
 - This will create between 750 and 1,000 direct jobs and between 7,500 and 10,000 indirect jobs (Source: Geothermal Energy Association).
- ✓ Incentives for solar energy will assist in creating 20,000 new jobs in the solar energy industry by 2010 (Source: Solar Energy Institute Association).
- ✓ Biomass provisions will put 1,000 people back to work in at least 20 biomass plants across the country.
- ✓ Incentives for wind energy will help create an estimated 5,285 new Megawatts of clean and renewable power through 2007.
 - Each new Megawatt of wind energy creates from 15 - 19 direct and indirect jobs – an estimated 100,000 new jobs through 2007 (Source: American Wind Energy Association).

Refinery Revitalization Act

- ✓ The nation’s refineries are nearing capacity and no new refineries have been built since 1976.
- ✓ The number of refineries in America has reduced by 52 percent from 324 in 1981 to 153 today (Source: Congressional Research Service).
 - In that time, total refining capacity declined by 9.8 percent from 18.62 million barrels per day (mbd) to 16,78 mbd (Source: Congressional Research Service).
- ✓ The House plan provides incentives for the energy industry to increase its refining capacity for gasoline, diesel fuel, home heating oil and jet fuel.
- ✓ In an effort to increase our energy security while providing jobs where they are needed the most, the plan authorizes the Secretary of Energy to designate certain areas as “Refinery Revitalization Zones” that have:
 - An unemployment rate of 20 percent or higher than the national average and;
 - A history of massive layoffs in the manufacturing industry (50 workers or more) or;
 - A closed refinery plant located in the area.

- ✓ The Department of Energy will coordinate the authorization of all siting and refinery operation applications, ensuring that all existing environmental and other regulations are observed.
- ✓ The best available control technology will be used on all refineries in order to comply with all applicable Federal, state and local environmental regulations.
- ✓ The incentives require an accelerated review of all regulatory approvals but do not waive or diminish any existing environmental, siting or other regulations.