

A comprehensive plan for energy independence

I have a plan that can make our nation energy independent. If we make the changes I am outlining here, we can displace almost 14 million barrels a day of imported oil. This is an American solution to our energy needs. I hope our country can unite behind a new energy strategy and then implement it with dispatch. The simple fact is we must move to develop and produce more of our own energy domestically. My plan is outlined below and consists of ten very specific elements.

Compressed Natural Gas

One major source of new energy is compressed natural gas. We can use this energy source to fuel a significant number of vehicles. To make this a reality we will need to develop a significant investment in refueling infrastructure. Today there are 162,000 gasoline stations in the United States, but only some 1,100 stations that sell CNG. At a cost of \$500,000 to \$750,000 for a two-hose CNG station, ensuring that CNG was available at one in ten locations would require an investment of \$8 billion to \$12 billion. Federal income tax credits are available for CNG refueling station investment costs, but these only cover \$30,000 of the estimated \$500,000 cost of a refueling station. Another option for natural gas vehicle owners is to have a home refueling system, although these can take several hours to refill a nearly empty CNG tank. The installed cost of a home fill system is cited at between \$4,500 and \$5,500 after the \$1,000 federal income tax credit. The payback period for the incremental cost of buying both a NGV and home refueling system is estimated to more than ten years. These costs are why I support using CNG vehicles for vehicle fleets like UPS, the U.S. Postal Service, and Omaha's Metropolitan Utility District (MUD) fleet. I have also worked with the City of Omaha on plans for using natural gas in MAT buses. The use of natural gas in vehicle fleets and public transportation should be the first priority of a domestic energy development program.

Increase Use of Ethanol

I have been a leading advocate over the years of an increased use of Ethanol derived from corn. In fact, our country is now on track to use nine billion gallons of ethanol—a very positive step. A challenge we have is that there is a finite amount of corn that can be used for this, and we are going to hit that ceiling at some point in the near future. I wanted to note that there are some critics out there who try and discredit Ethanol as an energy source. They claim it is driving up the cost of food or fuel, but that is simply not the case. The high price of fuel is largely driving higher food prices—and Ethanol is not responsible for that. You can be sure that I will continue to be a forceful advocate for expanded use of this domestic renewable resource in the months and years ahead. I am working to develop federal loan guarantees for projects that involve transporting large volumes of Ethanol by underground pipeline from the Midwest to east coast. This can expedite the transfer of large amounts of Ethanol at a lower cost.

Cellulosic Ethanol

Along this line, we should concentrate now on a new technology called Cellulosic Ethanol to supplement corn ethanol. I am a leader in the U.S. House on this issue. The fact is, Cellulosic Ethanol possesses more energy than regular gasoline and is a major component in the effort to become energy independent. It takes the energy in plants and changes it into a useable biofuel. In the next year or two, we are going to see more than a dozen pilot plants started up that will produce this particular type of Ethanol. Each and every section of the country has something to offer in this regard, be it wood in the Northeast or switchgrass or sweet sorghum in the Midwest.

Oil and Gas in Alaska and Offshore

A good option for new domestic petroleum sources involves drilling for oil and natural gas in Alaska. We are punting on about one million barrels of oil a day that could be coming from Alaska—estimates suggest the reserve of oil there runs into the billions of barrels. To get this oil, we need to change the law and open up certain areas in Alaska for drilling. It is long overdue that we take that step.

On the broader issue of drilling for oil in the ocean, we need to determine precisely what happened at the BP site in the Gulf and learn from the mistakes that were made. But this should not be used as an excuse to shut down drilling off of our shores. That action simply will cause more unemployment and disruption in the energy markets as well as higher fuel prices. The simple fact is that huge reserves of energy are located off of the East Coast, Gulf Coast and West Coast of our country—some estimates suggest coastal areas contain as much as 86 billion barrels of oil and 420 trillion cubic feet of natural gas. We simply cannot fence these sources off from use.

Shale Oil

One of the least talked about sources of energy is shale oil reserves. Currently, federal law limits or prohibits the use of technology to access this shale oil if it is on federal property in Colorado, Wyoming or Utah. About 80 percent of known reserves are under federal land. There is an estimated 1.2—2 trillion barrels of oil there—I want to change the law so we can tap it. I also believe the oil companies must step up to the plate and spend their profits to access this shale. Again, our national security is at stake.

Fuel Economy Standards

On positive note is that Congress passed a major energy bill in 2007. One of its major provisions related to improving fuel economy standards for vehicles—something that had been unchanged for more than 30 years. I sponsored this landmark change with a Democratic colleague from Indiana, Congressman Baron Hill. The Hill-Terry law will increase the fuel economy in cars and light trucks by 40 percent when fully implemented and will decrease the public pain at the pump. This action constitutes a major and powerful change in the law, and I was pleased to coauthor it.

Fuel Cells

Businesses in the 2nd District like First National Bank and the Henry Doorly Zoo have been using hydrogen fuel cell technology for years with great success. I believe strongly in Fuel Cells. The 2005 energy legislation, for example, contains added funds to finance a comprehensive research and development effort for Hydrogen Fuel Cells. Under current law, businesses that use a fuel cell as a power source in their building, office or plant, can get a tax credit from the federal government for the costs associated with this energy source. If we can grow the use of this energy source, we can reduce air pollution, greenhouse gas emissions and our dependence on foreign oil all at the same time.

Nuclear Power

We have not built a new nuclear plant in this country for almost 30 years. If we want to be energy self-sufficient, it will require we change current policies that discourage this particular energy source. Much of Europe's energy is generated by nuclear power. We need to streamline the application and review process so that more nuclear plants can be developed, constructed and brought on-line to the national electric grid. Safety concerns should be an integral part of this process. We need to review what happened in Japan and ensure that domestic nuclear plants have design and operational requirements that can sustain an earthquake or other natural disaster. I would note that technology has made this source of energy much safer than it once was. It is a fact that while the Europeans rely on nuclear for a significant portion of their energy, they have also developed a method of recycling fuel rods so they gain 25 percent more energy generation from the original uranium. This process also reduces the amount of nuclear waste—we should adapt that technology here in the U.S. and utilize it also. Nuclear energy is a safe, clean energy source and America should be increasing its use now.

Coal

Coal is a mainstay of our generation of electricity. We have the equivalent of 300 years of coal reserves right here in the United States. We should continue to tap this energy source—we can do it cleanly with a domestic initiative similar to NASA's Apollo Moon Program. This involves developing new ways where coal can be burned cleanly with the carbon dioxide emissions captured and stored in a safe manner. Coal-fired plants need to continue to install state-of-the-art scrubbers to reduce particulate matter. We can also use coal for synthetic aviation fuel in a process known as "coal to liquid". I sponsored legislation in the prior session (HR 2208) to enable this sector to grow to the point where it ultimately provides the bulk of fuel used by our military aircraft and the aviation industry.

Wind Energy

A recent government report indicates wind energy could generate 20 percent of the nation's electricity by 2030. Unfortunately, there are some who literally want to make it a criminal penalty against wind turbine owners when a migratory bird flies into it. Obviously, we feel badly for the bird. But wind can be a very important part of bringing an American Solution to our energy dependence and I am fully committed to it. I support legislation that provides a tax credit for five years to offset the cost of purchasing, installing and operating these wind energy systems that generate electricity.

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In conclusion, if you take all of these elements together, the result will be the production of an equivalent to 21.9 million barrels of oil per day. That would be more than enough new petroleum to displace literally all of the foreign oil we import.