

COMPREHENSIVE AMERICAN ENERGY SECURITY & CONSUMER PROTECTION ACT (H.R. 6899)

The legislation is a bold step forward, helping end our dependence on foreign oil and increase our national security. It launches a clean renewable energy future that creates new American jobs, expands domestic energy supply—including new offshore drilling, and invents and builds more efficient vehicles, buildings, homes, and infrastructure. It will lower costs to consumers and protect the interests of taxpayers. It is a comprehensive strategy, and the product of bipartisan compromise. It offers Republicans who want a comprehensive approach the choice to make sure Big Oil pays its fair share.

LOWERS COSTS TO CONSUMERS & PROTECTS TAXPAYERS

- **Royalty Reform: Making Oil Companies Pay Their Fair Share for Drilling on Public Lands.** Ensures that oil companies pay their fair share of royalties on flawed leases granted in 1998 and 1999. Oil companies holding 70 percent of these leases issued in the Gulf of Mexico from 1998 and 1999 pay no royalties on this oil, costing American taxpayers about \$15 billion.
- **Repeal of Tax Subsidies.** Repeals a giveaway in the 2004 international tax bill (H.R. 4520) for the Big Five. (Small, independent oil and gas companies would continue to benefit from the deduction at the current rate.) It also closes a foreign tax loophole for large oil companies. These will pay for critical investment in American renewable energy. (H.R. 5351)
- **Releasing Oil from the Strategic Petroleum Reserve.** Temporarily releases nearly 10 percent of the oil from the government's stockpile (known as the Strategic Petroleum Reserve (SPR)), and replaces it later with heavier, cheaper crude oil. Past releases have brought down prices by up to 33 percent. (H.R. 6578)
- **Mineral Management Service Ethics Reform.** Takes aggressive steps to crack down on the extreme misconduct at the Mineral Management Service – the agency charged with collecting royalties from oil and gas companies. Royalties are one of the largest sources of revenue for the federal government after taxes. The Interior Department's Inspector General just reported on a range of illegal and unethical behaviors plaguing the MMS, including accepting gifts, meals, and drinks from industry representatives; instances of illegal drug use among employees; sexual relationships between MMS employees and representatives of oil and gas companies; and violations of federal procurement regulations, which clearly put taxpayer dollars at risk, such as steering lucrative contracts to former employees in the private sector.

RENEWABLE ENERGY FUTURE, CREATING AMERICAN JOBS

- **Renewable Energy and Efficiency Tax Incentives.** Extends and expands tax incentives for renewable energy, including incentives for plug-in vehicles, and retains and creates hundreds of thousands of American jobs. It expands and extends tax incentives for renewable electricity, energy (such solar and wind) and fuel from America's heartland, as well as for plug-in hybrid cars, and energy efficient homes, buildings, and appliances. Investments in renewable energy create three to five times as many jobs as investments in fossil-fuel energy. (H.R. 5351)
- **Investing in Renewable Energy, Energy Efficiency and Home Heating Assistance (LIHEAP), Paid for by Making Oil Companies Pay their Fair Share for Drilling on Public Lands (98/99 leases).** Creates a Renewable Energy Reserve to invest in clean, renewable energy resources and alternative fuels, promote new energy technologies, develop greater efficiency and improve conservation. It will also fund home heating assistance (LIHEAP), weatherization, the Land and Water Conservation Fund, and carbon capture and sequestration. (H.R.6) Revenues from new areas opened offshore will also be deposited in this fund.
- **Electricity from Clean Renewable Sources.** Requires utility companies to generate 15 percent of electricity from renewable sources -- such as wind power, biomass, wave, tidal, geothermal and solar -- by 2020. A 15 percent Renewable Electricity Standard will reduce global warming emissions and lower energy prices, saving consumers \$13-18 billion cumulatively by 2020. It permits utilities to meet up to 4 percent of their target through energy efficiency. (H.R. 3221)

- **Renewable Biomass.** Expresses the sense of Congress that the Renewable Fuel Standard should ensure that every region of the country can be a potential producer by calling for cellulosic biofuels to be produced from a highly diverse array of feedstocks.

EXPANDING DOMESTIC ENERGY SUPPLY

- **Responsible Compromise on Drilling on the Outer Continental Shelf.** The ending of the current moratorium on September 30 allows drilling 3 miles offshore.
 - The compromise would permit leasing between **50 and 100 miles** offshore if a **State 'opts-in'** to allow leasing off its coastline by enacting a state law.
 - Environmental Protections: marine National monuments and national marine sanctuaries are permanently withdrawn from oil and gas leasing. All leasing activities must protect the coastal, marine and human environment of the State coastal zones and OCS.
 - DOD authority to designate national defense areas remains in force and leasing must also take place in accordance with a Memorandum of Agreement between DOD and Interior Departments.
 - Adhere to the 2006 law protecting some of the Eastern Gulf of Mexico until 2022 and exempts Georges Bank (in New England), which supports the most valuable fishery in America.
 - The remaining Outer Continental Shelf beyond **100 miles** would be open to oil and gas leasing.
- **Require Oil Companies to Drill on the 68 Million Acres of Federal Lands They Already Control.** Strengthens requirements that oil companies produce oil on federal lands leased for drilling during the initial term of their lease. (DRILL Act, H.R. 6515).
- **Increase Domestic Oil Production in Alaska.** Mandates annual lease sales in the National Petroleum Reserve in Alaska, which has more oil than the Arctic Wildlife Refuge; also the oil can be brought to market sooner. Also requires the Bush Administration to facilitate completion of the oil pipeline infrastructure into the Reserve and the construction of the Alaska Natural Gas Pipeline, which could create up to 100,000 jobs, while banning export of Alaskan oil outside the U.S. (DRILL Act, H.R. 6515)
- **Promote Natural Gas, E-85 Infrastructure.** Includes incentives and financing mechanisms for installing natural gas pumps in service stations and homes and requires service stations owned by Big Oil to install at least one "alternative fuel pump"—such as natural gas or E-85. Natural gas costs 40 percent less than gasoline, is 33 percent cleaner and is produced in North America. (Emanuel provisions)
- **Carbon Capture & Sequestration.** Advances the development and deployment of carbon capture and storage (CCS) technologies to come up with a cleaner way to use coal.
- **Oil Shale.** Allows Utah, Wyoming, and Colorado to opt in to exploration, development, or production of federal oil shale reserves, if the State enacts a law approving that.

GREATER ENERGY EFFICIENCY AND CONSERVATION

- **Strengthen Energy Efficiency in Buildings to Bring Down Costs.** Could save consumers at least \$210 billion in energy costs through 2030 by updating energy codes for new buildings. New residential and commercial buildings will have to realize a 30 percent improvement in minimum building standards by 2010, and 50 percent by 2020. The building sector alone accounts for approximately 48% of all energy consumed in the United States and of all U.S. greenhouse gas emissions. (H.R. 3221)
- **Incentives for Energy Efficient Homes.** Provides incentives to lenders and financial institutions, including the Federal Housing Administration, to provide lower interest loans to consumers who build, buy or remodel their homes to improve their energy efficiency. The average American spends 9.7% of their income on energy, while low-income households spend more than 16%. (H.R. 6078, Rep. Perlmutter)
- **Saving Energy Through Public Transportation Act.** Reduces transit fares for commuter rail and buses and expands service. The average commuter can save up to \$8,000 a year riding public transit, based on today's gas prices. (H.R. 6052)