

Allowing Offshore Exploration To Help Address Rising Fuel Costs

*President Bush Lifts An Executive Ban On Oil Exploration In America's Outer Continental Shelf
And Calls On Congress To Lift Its Legislative Ban*

Today, President Bush lifted an executive ban on producing oil from the Outer Continental Shelf (OCS). This means that the only thing standing between the American people and these vast oil resources is action from the Democratically controlled Congress. To reduce pressure on prices, President Bush recognizes the need to increase the supply of oil – especially here at home. For years, his Administration has called on Congress to expand domestic oil production. Unfortunately, Democrats on Capitol Hill have rejected virtually every proposal – and now Americans are paying the price. When Members of Congress were home for the Fourth of July recess, they heard a clear message from their constituents: take action now to expand domestic oil production.

Increased Access To Offshore Exploration In The OCS Is One Of The Most Important Steps To Expand American Oil Production

Experts believe that OCS areas under leasing prohibitions could produce about 18 billion barrels of oil. We will not know for certain until exploration is allowed. The problem is that Congress has restricted access to much of the OCS since the early 1980s. Since then, advances in technology have made it possible to conduct oil exploration in the OCS that is out of sight, protects coral reefs and habitats, and protects against oil spills. With these advances – and the dramatic increase in oil prices – these Congressional restrictions have become outdated and counterproductive.

- Last month, President Bush asked the Democratic Congress to lift this legislative ban and allow the exploration and development of offshore oil resources. He committed to lift an executive restriction on this exploration if Congress did so, tailoring his executive action to match what Congress passed. However, it has been almost a month since he urged Congress to act – and the Democratic leadership has done nothing. They have not moved any legislation, and as Congress has sat idle, gas prices have continued to increase.
- This failure to act is unacceptable to American citizens – and it is unacceptable to President Bush. So today, he has issued a memorandum to lift the executive prohibition on oil exploration in the OCS. With this action, executive branch restrictions on this exploration have been cleared away, except for areas within existing marine sanctuaries. Areas near Florida are also off limits until 2022 under the Gulf of Mexico Energy Security Act.
- This is a difficult period for millions of American families. They are rightly angered by Congress' failure to enact common-sense solutions. Today, President Bush has taken every step within his power to allow offshore exploration of the OCS. All that remains is for Democratic leaders in Congress to allow a vote.

The Time For Democrats In Congress To Act Is Now

Democratic leaders can show that they have finally heard the frustrations of the American people by matching the action President Bush has taken today, repealing the Congressional ban, and passing legislation to facilitate responsible offshore exploration. This legislation must allow States to have a say in what happens off their shores, provide a way for the Federal Government and States to share new leasing revenues, and ensure the environment is protected.

- Republicans in Congress have proposed several promising bills that would lift the legislative ban on oil exploration in the OCS. President Bush calls on the House and Senate to pass such good legislation as soon as possible.

- This legislation should also take essential steps to expand domestic production from oil shale and in Alaska and to increase refining capacity. Congress should clear the way for our Nation to tap into the extraordinary potential of oil shale – which could provide Americans with domestic oil supplies that are equal to more than a century's worth of current oil imports. Congress should permit exploration in currently restricted areas of northern Alaska – which could produce roughly the equivalent of two decades of imported oil from Saudi Arabia. Finally, Congress should enable the expansion of our domestic refining capacity – so that America will no longer have to import millions of barrels of fully refined gasoline from abroad.

These Proposals Will Take Years To Have Their Full Impact, So We Should Move Quickly

For the long run, we are dealing with the demand for oil by promoting alternative energy technologies. President Bush's Administration has worked with Congress to invest in gas-saving technologies like advanced batteries and hybrid vehicles, mandated a large expansion in the use of alternative fuels, and raised fuel efficiency standards to ambitious new levels. With all these steps, we are bringing America closer to the day when we can significantly reduce our reliance on oil.