



Feinstein Joins Democrats in Announcing Sweeping New Energy Legislation

The Clean EDGE Act will help make America energy independent by 2020

May 17, 2006

Washington, DC— U.S. Senator Dianne Feinstein (D-Calif.) today joined with Senate Democrats to unveil sweeping new legislation to take charge of America’s energy future.

The plan, the Clean EDGE Act of 2006, is a comprehensive bill that will put America on the road to energy independence by 2020. The Senators also released a letter to President Bush signed by 43 Senate Democrats calling on the president to join Democrats in support of the five main principles of the Clean EDGE Act to break America’s dependence on foreign oil.

The American people know that the policies of the past have given this country the energy crisis of the present. Democrats are committed to jump-starting the energy policies of the future, and the Clean EDGE Act calls for a major investment in the research, development, and production of the alternative energy vehicles, fuels, and technologies that will break our nation’s addiction to foreign oil.

The bill will launch an aggressive effort to:

- **Increase the number of alternative fuel vehicles sold;**
- **Protect consumers from gas price gouging and market manipulation;**
- **Reduce our dependence on fossil fuels;**
- **Put the Federal government in the lead in reducing our dependence on foreign oil;**
- **and**
- **Level the playing field for new renewable and energy efficient technologies.**

“The Clean EDGE Act is a major step forward on America’s path to energy independence,” said Senate Democratic Leader Harry Reid. **“Our nation’s energy problem is not new. It has taken years of failed policies to get us to the present crisis. Fortunately, Democrats have a comprehensive solution. With this bill, and under our leadership, America will be energy independent by 2020.”**

“The recent spike in gas prices is one more illustration of why our nation needs to end its addiction to oil,” Senator Feinstein said. **“We need hybrids on the road, alternative fuels, new technologies, and real leadership. It’s not time for more of the same. It’s time for a fresh approach -- one that will lead to higher fuel economy, less reliance on foreign**

oil, and a major reduction in greenhouse gases. This is the major challenge of this century. How we address this issue will shape our nation's future.”

This new legislation is the latest in EI2020, the campaign to make America energy independent that Democrats announced last October. Democrats believe that skyrocketing gas prices and the national security risk of America's oil addiction make an immediate campaign for energy independence all the more important. With the nation's security at risk, it is time for a new direction and the Clean EDGE Act.

The Senators' letter to President Bush and a fact sheet on the new legislation are attached following this release.

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The Clean EDGE Act of 2006

Democrats want to give America the edge by moving in a new direction. Senate Democrats' Clean Energy Development for a Growing Economy (Clean EDGE) initiative will help transform America's energy policy, to meet one of the most pressing national security, economic, and environmental challenges of our generation. Democrats understand—and our nation's history demonstrates—that America can rise to the occasion. Making energy independence a truly national effort takes a bold plan, leaders with resolve and a shared sense of commitment among individual citizens. Like the Manhattan and the Apollo projects that have come before, the Clean EDGE initiative begins with an aggressive goal: to reduce U.S. petroleum consumption by 6 million barrels a day in 2020—or 40 percent of America's projected imports. By clearing the pathways to innovation, investing in our workers and infrastructure, and providing American consumers with broader, more responsible choices, the Clean EDGE initiative will provide the tools to help move America forward, toward real energy security for the 21st Century.

TRANSFORMING AMERICA'S VEHICLES & INFRASTRUCTURE

- **Flex-Fuel Vehicles:** The Clean EDGE Act accelerates the conversion of American vehicles to flexible fuel technology. The legislation mandates that 25 percent of new vehicles sold in the U.S. by 2010 be flex-fuel capable, rising to 50 percent by 2020. Flexible fuel vehicles can run on higher blends of biofuels, which helps displace petroleum and provide competition at the gas pump.
- **Accelerating Infrastructure Conversion:** A major barrier to using flex fuel vehicles to reduce petroleum consumption is the lack of refueling stations that provide biofuels. The Clean EDGE Act sets a national goal of installing alternative fuels at 10 percent of American gas stations by 2015. To help achieve it, the legislation will provide additional tools to individual retailers, along with support to local governments that partner with private industry to establish alternative refueling corridors in different parts of the country. In order to break the oil industry's lock on the gas pump, it also requires major integrated oil companies that own refueling stations to install alternative fuel pumps.
- **Hybrids and Advanced Vehicle Technology:** The Clean EDGE Act will accelerate and extend incentives to purchase and manufacture vehicles that rely on advanced fuel efficiency technologies.

PROTECTING AMERICAN CONSUMERS & BUSINESSES

- **Preventing Gas Price Gouging and Increasing Transparency in the Oil and Gas Industry.** The Clean EDGE Act makes gas price-gouging a Federal crime, enhances Federal authority to prevent and prosecute manipulation of fuel supplies and anti-competitive behavior, and increases the transparency of petroleum markets.
- **Energy Price Relief for Low-Income Americans:** The Clean EDGE Act will provide additional assistance to Americans struggling under the weight of rising energy costs, by providing flexibility in Food Stamp and Section 8 Public Housing requirements, and a refundable tax credit to LIHEAP-eligible households to help cover residential energy costs.
- **Energy Emergency Loans for Farmers and Small Businesses:** Volatile prices place an extra burden on businesses that operate close to the margin. The Clean EDGE Act creates disaster loan assistance through the Small Business Administration and USDA, for small businesses and farmers trying to cope with rising energy costs.

LEVELING THE PLAYING FIELD FOR CLEAN ENERGY TECHNOLOGIES

- **Ending Giveaways to Big Oil.** The Clean EDGE Act will revoke subsidies for profit-rich, major oil companies, and make sure they pay their fair share in royalties owed to American taxpayers for drilling on public lands and in federal waters.
- **Providing Certainty to Emerging Technologies:** Rather than subsidizing the mature petroleum industry, the Clean EDGE Act will use these savings to provide greater certainty for clean energy development, by extending incentives for renewable energy and efficiency technologies.

REAL GOVERNMENT LEADERSHIP FOR CLEAN AND SECURE ENERGY

- **A Serious Federal Commitment:** The federal government is the single largest energy consumer in America. The Clean EDGE Act requires the Federal government reduce its petroleum consumption by 20 percent in five years and 40 percent by 2020, increase its renewable electricity use to 10 percent of total consumption by 2013, and employ advanced, efficient, and renewable technology to help drive innovation and jumpstart markets.
- **Innovative New Tools for States:** The Clean EDGE Act provides enhanced bond issuing authority to states and local governments, for projects to reduce oil consumption and greenhouse gas emissions, to develop non-petroleum fuels, invest in efficient vehicles, alternative infrastructure and transit.

DIVERSIFYING AMERICAN ENERGY SOURCES, INVESTING IN THE FUTURE

- **Renewable Electricity.** To help reduce America's reliance on fossil fuels and reduce greenhouse gas emissions, the Clean EDGE Act sets a national renewable portfolio standard requiring that 10 percent of all electricity produced in the country come from renewable sources by 2020.
- **ARPA-E.** The Clean EDGE Act will create an Advanced Research Projects Agency for Energy (ARPA-E) to develop cutting-edge technologies that will reduce oil consumption, improve electricity efficiency and reliability, and reduce greenhouse gas emissions.
- **Investing in American Jobs and Industry.** The Clean EDGE Act will create a clean energy investment administration to help deploy new, on-the-ground solutions. It will

also invest in education programs to develop a skilled domestic workforce in advanced energy technologies.

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May 17, 2006

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We are writing to reiterate our belief that America's dependence on oil is one of the greatest economic and national security challenges faced by our generation. The status quo is simply not an option. The cost of our dependence on oil is being borne by families, farmers and businesses across America. In the words of Energy Secretary Bodman, it has become a "crisis" for our nation's consumers. Recent events must serve as a long-overdue wake-up call, to spur real action that sets our nation on the path toward energy independence.

It is crucial that the United States sets a national goal and embarks on a serious strategy to reduce our dependence on petroleum, equivalent to 40 percent of our projected imports by 2020. We are united around a set of core principles that can help America achieve this goal, and believe we must act expeditiously to put this nation on the right track. We stand ready to work with your Administration and Congressional Republicans to pass legislation reflecting these principles before the summer recess. Specifically:

- The United States must launch an aggressive effort designed to ensure that an increasing number of new vehicles sold in America can run on alternative fuels, starting with 25 percent in 2010. In order for this to make a real difference in reducing our dependence on oil, this effort must be paired with a bold initiative to make smart investments in American infrastructure and promote real competition at the gas pump.
- The United States must ensure that our consumers are protected from gasoline price gouging and energy market manipulation.
- The United States must lessen its reliance on fossil fuels in general and take steps to curb greenhouse gas emissions, by diversifying sources of electric generation to include a greater percentage of renewable resources.
- The United States government—our nation's single largest energy consumer—must help lead this transition, by adopting the best available fuel efficiency and alternative vehicle technologies. The federal fleet should reduce its petroleum consumption by 20 percent over the next five years, and save at least 40 percent by 2020.

- The United States must level the playing field for new renewable and energy efficiency technologies. We can provide incentives for consumers and manufacturers to accelerate the market for these technologies and the next generation of fuel efficient vehicles, by ensuring major oil companies pay their fair share in taxes and royalties owed to the American public.

We are willing to work with you to consider additional constructive approaches to breaking America's oil addiction. However, we believe these five principles reflect significant steps that we can take in coming weeks to put our nation on the path toward greater energy security. By relying on American ingenuity and investing in our nation's workforce and infrastructure, we can curb the tremendous volatility in energy prices that is draining family budgets today, and looms as a growing threat to our national security and international competitiveness.

We look forward to working with you on these consensus principles, which will spur the kind of innovation and investment America needs to secure its energy future for the 21st Century.

Sincerely,

Daniel Akaka (D - HI)
Max Baucus (D - MT)
Evan Bayh (D - IN)
Joseph Biden (D - DE)
Jeff Bingaman (D - NM)
Barbara Boxer (D - CA)
Maria Cantwell (D - WA)
Thomas Carper (D - DE)
Hillary Clinton (D - NY)
Kent Conrad (D - ND)
Mark Dayton (D - MN)
Christopher Dodd (D - CT)
Byron Dorgan (D - ND)
Richard Durbin (D - IL)
Russell Feingold (D - WI)
Dianne Feinstein (D - CA)
Tom Harkin (D - IA)
Daniel Inouye (D - HI)
Jim Jeffords (I - VT)
Tim Johnson (D - SD)
Edward Kennedy (D - MA)
John Kerry (D - MA)
Herb Kohl (D - WI)
Mary Landrieu (D - LA)
Frank Lautenberg (D - NJ)
Patrick Leahy (D - VT)
Carl Levin (D - MI)
Joseph Lieberman (D - CT)

Blanche Lincoln (D - AR)
Robert Menendez (D - NJ)
Barbara Mikulski (D - MD)
Patty Murray (D - WA)
Ben Nelson (D - NE)
Bill Nelson (D - FL)
Barack Obama (D - IL)
Mark Pryor (D - AR)
Jack Reed (D - RI)
Harry Reid (D - NV)
Ken Salazar (D - CO)
Paul Sarbanes (D - MD)
Charles Schumer (D - NY)
Debbie Stabenow (D - MI)
Ron Wyden (D - OR)

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