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OIL IN OUR OWN BACKYARD

By Senators Bob Bennett and Orrin Hatch

Last month, Senate Republicans unveiled the Gas Price Reduction Act of 2008, a common-sense plan to help lower the price at the pump. We are cosponsors of this bill and support its guiding principle that Americans should “find more and use less” energy. The plan also provides Utah with an opportunity to be a world leader in energy production.

Many Utahns have asked us why the price of gasoline is so high and what we can do to fix it. The world’s current trend of oil production and consumption is similar to families that spend more than they make each month. They can get by as long as there are resources left in the bank, but the more they draw down the available resources, the less of a cushion they have in the future. For years, we’ve been using more oil than we’ve been producing and it’s finally caught up with us.

The United States needs a course correction to provide stability to our oil markets. Congress recently acted on the “use less” side of the equation by increasing CAFE mileage standards for vehicles and mandating various efficiency requirements. The Gas Price Reduction Act continues our conservation efforts by promoting plug-in electric vehicles, which on an average driving day would use little or no petroleum.

However, efficiency alone cannot stabilize our energy markets because the United States is spending \$700 billion per year on foreign oil. We must find more oil in our country. Fortunately, we don’t have to look far to find it. Utah, Colorado, and Wyoming have more than 800 billion barrels of recoverable oil locked up in oil shale, a rock that produces oil when heated. This is more than three times the amount of Saudi Arabia’s oil reserves. Utah also has 14 to 15 billion barrels of oil in tar sands. Developing these resources would help increase the cushion in the supply that we need to stabilize the gasoline market.

Oil shale development is not a new idea; other nations have produced oil from shale for decades. We have, however, improved the technology to significantly reduce the environmental impacts. A pilot project in Utah is already using this new technology on state land and could start producing oil later this year.

Oil shale on federal land, however, is specifically locked up by the Democratic Congress. It’s hypocritical for some members of Congress to prohibit Americans from developing American resources while simultaneously asking the president to beg Saudi Arabia for more oil. The Gas Price Reduction Act would lift the moratorium that prohibits the government from issuing regulations for commercial oil shale leases. Companies will not want to invest billions in an industry where the rules of the game are not defined.

We support and welcome all forms of energy – renewable and non-renewable. We have both voted for solar, wind, hydro, geothermal, nuclear, coal, natural gas, petroleum, and

other sources of energy. All sources, along with conservation, are important in the overall goal of reducing our dependence on foreign oil. The Gas Price Reduction Act goes a step further by allowing Utahns to harness the abundant resources that are at our fingertips.

There is not a simple solution to our multifaceted energy problem. Conservation is critical, but it's only one piece of the puzzle, and we can't conserve our way out of this energy crisis. We must also address the supply side of the energy equation and develop more domestic oil. Americans are looking for long-term solutions to our energy crisis, and it's irresponsible to turn a blind eye to the resources available in Utah's own backyard.