

A group of House lawmakers today offered a plan to drill for oil and gas offshore and send billions in revenue to promote cleaner use of coal and nuclear power; boost renewable energy sources and environmental cleanup efforts; and fund low-income home energy assistance and other uses. Rep. Neil Abercrombie, D-Hawaii, said his group is not providing an alternative to the efforts of Energy and Commerce Committee Democrats to put together a climate and energy strategy -- which he called "essentially stalled" -- but to offer something more comprehensive. He added that his group's plan, which has been in the works since the summer, does not raise taxes.

The announcement came as Democrats on the Energy and Commerce Committee were summoned to a meeting with President Obama to try to work out differences on the details of a cap-and-trade program, a renewable electricity production mandate and other items that have delayed a markup that was initially set for last week. "The fact that they haven't been able to get to a markup yet should tell you what the situation is," Abercrombie said. "I'm confident that what we're putting forward will appeal to everybody as a comprehensive strategy." The bill also comes as GOP leaders continue to deride cap-and-trade as an "energy tax" on businesses and consumers. Republicans held a summit today with friendly witnesses to contrast their arguments against what the White House and Democratic leaders are trying to do. Abercrombie called cap-and-trade "virtually unexplainable, and when it does get explained nobody wants to do it." He added: "When you're explaining you're losing. This bill doesn't have to be explained. This bill is understood instantly."

The bipartisan bill allows oil and gas drilling in federal waters as close as 20 miles offshore and sends 30 percent of that revenue to states with waters that are producing energy. Ten percent of the revenue would go to the U.S. Treasury and the rest is directed toward various purposes. This includes 20 percent toward paying for extensions of renewable energy as well as efficiency and conservation tax incentives; 10 percent for cleaner coal technology; funds for an environmental restoration reserve for major waterways and dedicated funding for conservation and clean water reserves; and 2 percent for the Low Income Home Energy Assistance Program. The bill would exchange 10 percent of the oil in the Strategic Petroleum Reserve and use the resulting revenue for a variety of existing programs for energy assistance, conservation and research. In addition, it would require a minimum federal purchase of plug-in hybrids and various incentives for advanced vehicle technologies.

A federal ban on offshore drilling expired last year, but the Interior Department is working on establishing limits off the coastline. Companies are "not sure when the rug's going to be pulled out from under them," said Rep. Tim Murphy, R-Pa. Democratic leaders are letting Interior set up new guidelines for offshore production instead of delving into the issue legislatively. Abercrombie and other backers stressed they had no involvement from either Caucus leaders or lobbyists. Abercrombie and Murphy are joined by Natural Resources Energy and Mineral Resources Subcommittee Chairman Jim Costa, D-Calif., Reps. Shelley Moore Capito, R-W.Va., Joe Wilson, R-S.C., Tim Walz, D-Minn., and Lee Terry, R-Neb., as co-sponsors.



