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The key to growth is here at home

Mobil Chairman Allen E. Murray addressed the annual meeting of the American Petroleum Institute on November 19. He discussed the need for a strong domestic petroleum industry as a means to greater economic growth. Segments from his remarks are reprinted below.

The economy seems to be locked into a period of sputtering fits and starts and can't seem to find the key to escape. Yet it's the same key that has always opened the door to greater individual prosperity—economic growth. And one of the engines that has typically driven the U.S. economy to bigger and better things has been a strong, competitive, domestic energy industry.

Over the years, an economic supply of energy—particularly oil and gas—fueled the growth that filled the dreams of so many Americans.

There is still plenty of potential for finding and developing additional economic supplies of petroleum within our borders. However, those who influence policy refuse to recognize that fact—or that energy development should go hand in hand with environmental and economic policies. As a result, Congress continues to hamper the search in those areas—the Arctic National Wildlife Refuge and the offshore, for example—where we would be most likely to find significant deposits of hydrocarbons.

The reasons they give for blocking our efforts are environmental. The reasons, in fact, are political.

By passing a series of moratoriums, some of which were pushed through as riders to largely unrelated legislation, the Congress has put the U.S. offshore off-limits.

Those decisions were not based on any rational environmental assessment. They were not based on any concern for the nation's future energy needs. They most cer-

tainly were not based on any—any—economic assessment. They were, in a word, political.

Does our government really think other governments don't care about the environment? The fact is; they do care. But they also include economic factors in their decision-making. They recognize the risks. They also recognize that this industry has proven its ability to develop the world's energy supplies while taking care of the environment.

Drilling goes on in the North Sea where violent storms can be unrelenting. . . . In Africa, emerging nations recognize the need to build their economies for their people. . . . In the Soviet Union and other nations of Eastern Europe, the U.S. petroleum industry is being sought after for its technology, its investment capability, its know-how.

And we will go. To Eastern Europe, to Africa, to Latin America. To wherever the search leads us. We will explore. We will develop the energy resources of other lands and, in the end, import some of those same resources into the United States.

By importing energy instead of finding and producing economic supplies ourselves, the country is, in essence, exporting jobs and the paychecks that go with them. It is sending profits and royalty revenues overseas. It is losing government funds that would otherwise be gained by taxing the money that could be earned here. Most important, it is surrendering the opportunity for economic growth.

A strong economy is the best way—really, the only sure way—to find the funds to provide better educational opportunities and better medical care. A strong economy will help us fight poverty and build a better standard of living for those generations coming behind. A strong economy will help us as a nation compete better in what surely will be a more-competitive world economy in the years ahead.

Mobil®

Another look at global trade

In recent years, U.S.-based multinational companies and U.S. investment overseas have been convenient targets for those concerned about declining American industries, loss of jobs to cheaper labor overseas, and rumored profits going into foreign bank accounts.

However, recent studies by the Commerce and Treasury Departments as well as the Emergency Committee for American Trade (ECAT), an export industry group, show that, contrary to popular wisdom, U.S. multinational corporations and U.S. overseas investment helped strengthen the U.S. economy in the 1980s. Here are some of the more interesting findings:

- U.S. multinationals create jobs here at home through their overseas sales—as they did in the 1980s. How? By shipping increasing volumes of U.S.-made components and parts and selling services to their own international subsidiaries. In 1990 alone, Commerce estimates, for every \$1 billion in merchandise exports, 19,100 jobs were created in the U.S.

- The U.S. export boom of the 1980s meant that by 1990, 7.2 million American workers were dependent on foreign trade for their livelihood, up from 5 million in 1986. Yet despite this growth, America still ranks well below other industrial nations in the ratio of merchandise exports to the gross national product (GNP)—7.3 percent versus over 18 percent. Bottom line, says the Commerce Department: major potential for U.S. firms to increase global exports.

- U.S.-based multinationals during the 1980s were the "most positive single factor" in the U.S. balance of payments, according to ECAT, and during the years studied, added an average of \$90 billion annually to the positive side of the nation's balance sheet. This resulted primarily from the firms' trade surpluses with their international subsidiaries, and their rapidly growing repatriated earnings.

- Over the long term, U.S. companies that have invested large amounts overseas—in building plants, buying equipment, etc.—have been the most successful in expanding exports from the U.S., and in increasing their world market shares. That helps the U.S. economy, by creating jobs, and bringing additional profits back home.

- American multinationals have benefited the U.S. economy by generating the cash flows to support large research and development budgets, and, because of their size, the economies of scale to compete effectively on a global basis.

How do we keep the positive trends of the '80s going? Nothing we haven't already advocated here. Don't set up obstacles to free trade. Don't penalize foreign investors and traders who want to come here. But do ensure they open their home markets to us. Do encourage individual savings, and do—please—lower the federal deficit.

Oh, and one more thing. Perhaps we could show more understanding and support for multinationals—after all, they are major contributors to American economic strength.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 20, 1991

FACT SHEET:

THE NATIONAL ENERGY STRATEGY

President Bush today proposed a comprehensive and balanced strategy for an energy future that is secure, efficient, and environmentally sound. The National Energy Strategy is designed to diversify U.S. sources of energy supplies and offer more efficiency and flexibility in the way energy is consumed.

The National Energy Strategy is the product of twenty months of public recommendations and Administration consideration. In developing this strategy, the Department of Energy conducted eighteen public hearings and received thousands of written comments.

With the benefit of this input, the Administration analyzed the full array of energy options and has developed a strategy that will support continued economic growth, increase energy efficiency, protect the environment, and reduce America's vulnerability to energy supply disruptions.

The Strategy is consistent with the Administration's policy of reliance on market forces. Over the next two decades, the Strategy will make the U.S. more energy efficient and enhance our competitiveness without resorting to heavy-handed regulations, taxes, or import fees that can hurt consumers and cost Americans jobs.

The Strategy acknowledges that the U.S. is part of an energy interdependent world. It is not in our interest to adopt measures that may reduce imports, but inflict severe economic or environmental damage. Therefore, the National Energy Strategy balances economic, environmental and energy security objectives.

Over the next twenty years, this balanced approach to production and conservation will power a larger U.S. economy while using less energy. At the same time, the U.S. will produce more of the energy it uses. The National Energy Strategy by the year 2010 will:

- o reduce domestic oil demand by 3.4 million barrels per day, below projected levels.
- o increase domestic oil production by 3.8 million barrels per day above projected levels.
- o increase the electricity produced from renewable sources, such as solar, hydropower, and geothermal by 16 percent.
- o raise the use of alternative transportation fuels, such as compressed natural gas, ethanol and methanol, thereby reducing the need for approximately 2.0 million barrels of oil per day.
- o reduce growth in electricity demand by over 10 percent, by unlocking market forces through elimination of costly regulation, thereby saving consumers approximately \$27 billion in electricity costs in the year 2010.

The Strategy will also benefit the environment. Proposals to increase the use of clean coal technology, natural gas, and nuclear energy to generate electricity, as well as the development of new energy efficient technologies will:

- o hold U.S. emissions of greenhouse gases by the year 2000 at or below 1990 levels.
- o improve air quality by reducing emissions of pollutants that contribute to acid rain and smog.
- o mitigate solid waste problems by reducing coal ash waste 25 million tons per year, and by lowering coal cleaning wastes by 50 million tons per year.

The Strategy incorporates and complements a number of Bush Administration initiatives. These include (1) the 1990 revisions to the Clean Air Act; (2) natural gas well-head decontrol legislation; (3) incentives provided to domestic renewable and fossil energy producers in fiscal year 1991 budget agreement; (4) the energy research and development initiatives announced in the President's FY 92 budget; (5) the Administration's domestic energy supply and demand measures adopted in response to the Iraqi oil disruption; and (6) the Administration's science and mathematics education initiatives.

To meet the challenges ahead, the National Energy Strategy calls on Federal, State, and local governments to work together to encourage energy conservation and new energy production through reduced regulation and streamlined licencing procedures, particularly in the natural gas, oil and gas pipeline and hydropower areas. At the Federal level, the Administration

intends to lead by improving the energy efficiency of federal buildings, federal housing and accelerating the purchase of alternative fuel vehicles for the federal fleet.

INCREASING ENERGY AND ECONOMIC EFFICIENCY

Transportation Efficiency

Highlights

The National Energy Strategy will increase transportation efficiency by:

- o requiring centrally-fueled fleets to purchase vehicles capable of using alternative fuels, such as compressed natural gas, ethanol and methanol.
- o increasing Federal purchases of alternative fuel vehicles.
- o increasing the Corporate Average Fuel Economy credit that automakers currently receive for producing alternative fuel vehicles.
- o promoting State and local government and private-sector programs that offer a "bounty" for scrapping older, high pollution, gas guzzling cars.
- o increasing use of public transit, vanpooling and ridesharing by raising the limit on tax-free commuter subsidies that employers can give employees.
- o proposing to invest a Federal share of up to \$150 million from FY 92 to FY 96 in a new research program with the automobile industry to accelerate the development of electric vehicles.
- o accelerating R&D in new energy efficient technologies, including high performance aircraft engines, vehicle propulsion systems, MAGLEV and high-speed rail and by widely implementing Intelligent Vehicle/Highway systems.

These measures are projected to save the equivalent of 3.0 million barrels of oil per day by 2010 without the harmful effects of higher taxes, oil import fees, or unjustifiable CAFE levels. The Administration has commissioned an independent study by the National Academy of Sciences on feasible fuel economy levels. The number of passenger miles driven is estimated to increase by 60 percent by 2010; however, under the Strategy the volume of gasoline purchased by consumers is projected to fall by 13 percent.

Electricity Generation and Efficiency

Highlights

The National Energy Strategy will raise electricity efficiency by removing barriers to greater competition that currently raise the cost of electricity and by encouraging energy efficient investments by utilities and consumers:

- o amending the Public Utility Holding Company Act (PUHCA) to allow power suppliers to build, own and operate power facilities in more than one area.
- o supporting state and utility efforts to invest in energy efficiency as an alternative to power plant additions (Integrated Resource Planning).
- o reforming the Public Utility Regulatory Policies Act (PURPA) to modify size and fuel use restrictions for small power producers.
- o providing tax-free treatment of utility discounts on consumers' electricity bills for efficiency investments.
- o expanding access to electricity transmission for utility and non-utility wholesale buyers and sellers.
- o reducing Federal subsidies for the debt of Federal Power Marketing Administrations.

These measures are projected to reduce electricity demand growth by over 10 percent in 2010 and save consumers \$27 billion in electricity costs in the year 2010.

Residential and Commercial Building Efficiency

Highlights

The National Energy Strategy will raise efficiency levels for residential and commercial buildings by:

- o accelerating R&D for building technologies by increasing Federal funding to \$55 million in FY 92, a 22 percent increase.
- o encouraging providers of home mortgages to share energy efficiency ratings with prospective home buyers.
- o setting cost-effective energy efficiency standards for appliances and equipment as provided under current law.
- o expanding energy efficiency labeling programs to include

certain other equipment including light bulbs.

- o develop and encourage the use of cost-effective building efficiency standards.

These measures will reduce building energy demand. The amount of floor space in malls, office buildings, and other commercial building is projected to grow by 57 percent, but the energy needed to heat, cool, and light that space will grow by less than half that amount. In the year 2010, the U.S. is forecast to have 24 percent more occupied housing than today, but will use only 10 percent more energy to service that housing.

Industrial Energy Efficiency

Highlights

The National Energy Strategy will raise industrial energy efficiency by:

- o increasing research and development for industrial waste reduction and recycling.
- o encouraging the use of industrial energy audits at the state and local level.
- o modifying existing regulation where needed to ensure that the use of waste minimization technologies is not discouraged.

By the year 2010, industrial output is projected to grow 80 percent; yet if the Strategy is implemented, the United States is projected to use only 27 percent more energy to power our factories, plants, mills, and similar facilities. In addition, the negative environmental impacts of industry will decline.

SECURING FUTURE ENERGY SUPPLIES

Securing Petroleum Supplies

Highlights

The National Energy Strategy will reduce our vulnerability to oil supply disruptions by:

- o encouraging oil production in other countries outside the Persian Gulf.
- o expanding worldwide strategic petroleum stocks available to offset future oil supply disruptions, including our

Strategic Petroleum Reserve.

- o expanding joint Federal/private investment in advanced oil recovery technology by increasing Federal funding in FY 92 by 24 percent to \$52 million.
- o providing environmentally responsible access to areas of the coastal plain of ANWR and resolving technical and regulatory barriers to greater Alaska North Slope oil development.
- o allowing environmentally responsible access to Outer Continental Shelf areas, consistent with the President's decision last year.
- o deregulating oil pipelines in competitive markets.
- o increasing production of California heavy oil and allowing access to export markets.
- o evaluating the refining sector's ability to meet future demand for a variety of liquid fuels.

These measures will increase domestic oil production by up to 3.8 million barrels per day in 2010, and raise economically recoverable resources by 25 to 70 billion barrels.

Securing Natural Gas Supplies

Highlights

The National Energy Strategy will promote domestic and international natural gas production by:

- o streamlining gas pipeline construction reviews and developing more efficient environmental review procedures.
- o deregulating pipeline sales rates in competitive markets and reforming gas pipeline rate designs.
- o supporting environmentally responsible exploration and development in certain offshore areas, consistent with the President's OCS decision last year.
- o improving third party access to gas pipeline transportation services.
- o eliminating certain import/export regulations on natural gas.
- o expanding use of natural gas in alternative fuel vehicles.

These measures are projected to save up to 600,000 barrels of oil

per day by 1995, and increase natural gas consumption by almost 1 trillion cubic feet in 2000. Residential consumers are projected to save \$200 million in 2000 and \$850 million in 2010 in reduced costs.

Securing Future Coal Supplies

Highlights

The National Energy Strategy will promote the use and export of clean coal resources by:

- o accelerating use of clean coal technology through Federal and State regulatory incentives.
- o clarifying the applicability of the Clean Air Act to refurbished power plants.
- o creating favorable export markets for U.S. coal and coal-burning technologies.
- o removing barriers to constructing coal slurry pipelines.
- o pursuing research and development on environmental protection during mining.

These measures will allow the U.S. coal industry to capture a major share of the growing international coal and coal technology markets, while improving our ability to more cleanly and efficiently utilize the large U.S. supplies of low cost coal.

Securing Nuclear Power

Highlights

The National Energy Strategy will promote the ability of nuclear power to meet electricity needs by:

- o reforming and streamlining the nuclear plant licensing process, as well as the process for siting and licensing of waste facilities.
- o developing standardized designs for "next generation" power plants, so that the licensing process is not delayed and financial risks are reduced.
- o accelerating research and development of "next generation," passively safe design nuclear reactors.

These measures will enhance the ability of nuclear technology to meet electricity needs by reducing costs and increasing safety and reliability. Nuclear power production could increase by 10

percent over levels otherwise projected for the year 2010.

Securing Renewable Resources

Highlights

The National Energy Strategy will promote the development and use of renewable resources by:

- o extending the current investment tax credit for renewable energy technologies through 1992.
- o streamlining hydropower licensing processes at existing dams and eliminating unwarranted Federal regulation of small hydropower projects.
- o amending PURPA to encourage renewable power production by small power producers.
- o supporting conversion of municipal solid waste to energy as part of a comprehensive waste management strategy.
- o developing cost-competitive liquid fuels from non-food crops with new research and development support.

These measures will increase electricity generation from renewables by 16 percent in 2010. In addition, they would reverse the losses of hydropower generation capacity and increase fuel and technology choices for transportation.

Securing Fusion Technology

The National Energy Strategy will intensify international collaboration in fusion research and focus investments in magnetic and inertial confinement reactor concepts.

Through these efforts a demonstration plant could be developed by 2025 and an operating commercial plant could cost-effectively supply power by 2040.

Enhancing Research and Development for Energy Security

The National Energy Strategy includes a major commitment to advanced energy technology. The FY 92 budget includes \$903 million, or 34 percent above 1991 levels, for increased investments in support of National Energy Strategy research and development initiatives.

To ensure that research and development efforts pursue useful goals and result in ultimate commercialization of technologies, these initiatives will utilize industry cost-sharing and will be carried out as joint government-industry programs. In addition,

a national awards program will be created, offering prizes for energy-related innovations that meet specific technological challenges.

Major research initiatives include: advanced transportation fuels from biomass, vehicle propulsion technologies, electric vehicle technology, aeronautical technologies, high speed rail and magnetic levitation, intelligent vehicle/highway systems, telecommuting, air traffic control, advanced oil recovery technologies, industrial technologies, and advanced light water nuclear reactors concepts.

By 2030 these research and development initiatives could save between 5 million and 8 million barrels per day of oil equivalent.

ENERGY AND THE QUALITY OF AIR, LAND AND WATER

Highlights

The National Energy Strategy will enhance environmental quality by:

- o increasing the use of natural gas, renewable energy sources, and alternative fuels.
- o improving energy impact assessments in federal regulatory proceedings.
- o developing model programs for energy facilities siting.
- o minimizing waste from energy production, transformation, and use.

These measures, in conjunction with the Clean Air Act Amendments, are projected to reduce sulphur dioxide emissions by 40 percent, nitrogen oxides by 30 percent, and volatile organic compounds emissions by 25 percent from projected levels by 2030. In addition, they will improve the economics and efficiency of environmental compliance, which currently costs over \$100 billion per year and is rising.

ENERGY AND THE GLOBAL ENVIRONMENT

The National Energy Strategy and previous Bush administration actions, coupled with ongoing Federal research aimed at reducing scientific uncertainty on the potential for global climate change, will reduce greenhouse gas emissions and demonstrate U.S. international leadership on this issue.

In 2000, U.S. greenhouse gas emissions are projected to be at or below their 1990 levels, despite steady increases in U.S.

economic growth.

FORTIFYING FOUNDATIONS: Science and Engineering Research, Technology Transfer, Science and Math Education

The National Energy Strategy will continue the administration's commitment to science and engineering research, technology transfer, and science and math education by:

- o increasing the Federal investment in the nation's basic science research portfolio to over \$12 billion in FY 92.
- o re-aligning Federal research and development priorities to better serve National Energy Strategy goals.
- o ensuring the viability of world class U.S. facilities and pursuing international agreements to support high-cost facilities.
- o increasing industry participation in research and development and commercialization.
- o protecting intellectual property rights.
- o promoting technology exports.
- o promoting the Administration's commitment to math/science education through, for example, strengthened curriculum; Federal technical assistance and training for teachers; and broadened public science literacy programs.

LEGISLATIVE PACKAGE

A legislative package to implement National Energy Strategy measures that require statutory change will be transmitted to Congress shortly. As an addition to that legislative package, the Administration will propose bringing the Federal Energy Regulatory Commission (FERC) into the Department of Energy.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Speechwriters
FYI

March 4, 1991

NOTE TO: GOVERNOR SUNUNU
DIRECTOR DARMAN
EDE HOLIDAY
ROGER PORTER
HENSON MOORE
LINDA STUNTZ
DAVID DEMAREST ✓
STEVE HART
BOBBI KILBERG

FROM: BOB GRADY

A handwritten signature in blue ink, appearing to read "BG", with a checkmark to its right.

I think we need something like this.

Attachment

cc: Phil Brady

Talking Points: Energy Conservation Items in the
National Energy Strategy

- o Over half the items in the NES relate to conservation or energy efficiency.
- o In total, the NES will reduce oil demand by 3.4 million barrels/day below projected levels (by 2010).
- o Funding for conservation and renewables R&D in the budget is \$495 million -- an increase of 17 percent. This includes a \$300 million joint R&D program to develop the battery for an electric car, and an increase of 46% in funding for solar photovoltaics.
- o The NES lifts the cap on CAFE credits that automakers receive for alternative fueled vehicles.
- o The NES raises the limit on tax-free subsidies that employers can provide for mass transit, vanpooling, and ridesharing.
- o Reform of the Public Utility Holding Company Act, by allowing the most capable builders of electric power plants to compete to provide power all across the country, will increase efficiency in the electric power generating business.
- o The NES allows tax-free treatment for discounts on utility bills provided for energy conservation investments.
- o The NES supports programs which offer a "bounty" for scrapping old gas-guzzler cars.
- o The NES supports Integrated Resource Planning -- investments in efficiency as an alternative to new power plants.
- o The NES will reform PURPA to allow more small and alternative energy producers to produce and sell electric power.
- o The NES extends the tax credit for renewable energy technologies through 1992.
- o The NES will speed the development and implementation of energy efficiency standards for buildings and appliances.
- o The NES will require energy efficiency labeling of various products, including lightbulbs.
- o The NES will ensure that energy efficiency rating becomes part of the mortgage financing process for all Federally guaranteed mortgages.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 20, 1991

REMARKS BY THE PRESIDENT
AT ENERGY POLICY BRIEFING

Room 450
The Old Executive Building

1:22 P.M. EST

THE PRESIDENT: Thank you all very much. Thank you. Please be seated. First, let me welcome the members of Congress who are here -- Congressmen Dingell and Congressman Lent, Sharp and Moorhead; Senators Wallop and Johnston -- and a special welcome to them. I want to say that we want to work with them as the legislative process goes forward.

Let me also pay my respects -- in looking around, I'm told that Governor Hickel is here. Whoops, there he is -- Wally, welcome. And Governor Ashcroft, Governor Sinner. Of course, our man of the hour here, Jim Watkins, our very able Secretary. Governor Sununu, who's been working on this with all of us. Henson Moore, from -- the Deputy at the Department of Energy -- made an outstanding contribution to this. And, Linda Stuntz, thank you. And Sheila Watkins. And I thought -- Clayton -- Secretary Yeutter and Secretary Skinner and Secretary Lujan are all with us. Mike Boskin was to be. Mike Deland is here from the CEA. I have a method to my madness here in getting around to all of this.

Senator, welcome to you. I didn't see you earlier. And to Hank Habicht of EPA, and Jim Thompson, a former Governor, and former Governor Jim Edwards over here. Jim Thompson is uncharacteristically in the back of the room now that he's in private -- (laughter.)

But nevertheless, I cite all these names because we are -- this is an issue that has great appeal across all kinds of departmental lines. It's something that is really essential -- a National Energy Strategy. And I want to announce it today. I believe it is a strategy for future -- an energy future that is secure, efficient and environmentally sound.

I want to thank Admiral Watkins and also acknowledge and thank the efforts of so many. We now have, thanks to all, a carefully balanced energy strategy, and it is designed to diversify America's sources of energy. It's designed to encourage efficiency and conservation, spur competition throughout the energy sector, give Americans greater choices among fuels, and enhance U.S. research and development in new technologies.

The driving force behind this strategy is straightforward. It relies on the power of the marketplace, the common sense of the American people and the responsible leadership of industry and government.

Every American will benefit from the policies that we're laying out here today. Over the next two decades this strategy will make us more energy efficient without new energy taxes. It will mean savings for consumers in energy costs. And it will improve our energy security and reduce our vulnerability in the years ahead.

MORE

Let's talk about reality here. We've already made progress toward reducing that energy vulnerability. We've diversified our suppliers so that we are not unduly reliant on a single -- any single source. What's more, through the SPR -- through the Strategic Petroleum Reserve, we've vastly improved our ability to respond flexibly to supply interruptions. And we have already begun moving on the path toward improved energy efficiency.

But we are, I will be the first to concede, a long way from total energy independence. Our imports of foreign oil have been climbing steadily since 1985 and now stand at 42 percent of our total consumption. Too many of those oil imports come from sources in troubled parts of the world.

We know that for domestic oil production, certain areas are off-limits, and justifiably so for sound environmental reasons. But developing new, alternative energy sources takes time. Some sources of power face political problems. So America will have to continue to import energy for years to come.

We also know that unwise and extreme measures to reduce oil imports would seriously hurt the consumer in this country, and will adversely affect the working man and woman in this country -- American jobs and American industries. In the face of these realities, we must act with care, but we must act comprehensively. Our National Energy Strategy strikes a sound and reasonable balance and it will achieve greater energy security without burdening -- unduly burdening the consumers or the economy.

To minimize our vulnerability to foreign oil, the disruptions that come from reliance on foreign oil, this strategy takes a multifaceted approach. It will help us to find more reliable sources of energy through uncompromisingly safe and environmentally sound development. Domestic oil production will rise by 3.8 million barrels a day.

This strategy will also help us use energy more efficiently by encouraging new technologies, alternative fueled vehicles and conservation.

With this strategy, we're working to give Americans unprecedented choice and flexibility. Instead of only finding gasoline at the corner station, we want Americans to be able to choose from a range of environmentally sound and cleaner fuels like ethanol, methanol, electricity, propane, natural gas and cleaner gasoline.

Where America's towns and cities were once able to buy electricity from only one utility company, we want to help spur competition in the electric power business and to bring lower prices to consumers. And we plan for electricity produced from renewable sources to rise by 16 percent.

We want to build an energy future that is based on a range of diverse sources, so that never again will this nation's energy well-being be swayed by events in a single foreign country.

Our approach will give Americans the flexibility, the opportunity and the knowledge that they need in order to conserve or to change fuel sources and to cut their energy bills.

And finally, we are convinced that this strategy will keep America on the cutting edge of new energy technology. It promotes partnerships between industry and government for accelerated research in technologies like biomass and alternative fuels, or electric vehicles, high-speed rail, renewable sources like solar and geothermal power and nuclear technologies of unprecedented safety and security.

Together with the recently-passed Clean Air Act, this National Energy Strategy will maintain an uncompromising commitment to energy security and environmental protection. And it will put

MORE

America on the road to continued economic growth. We are not going to have an energy strategy that assigns the status quo to the American worker in this country. We're going to continue to grow, and we can do it soundly. And that's what this energy strategy proposes.

Nobody should assume that meeting our needs for abundant energy, a strong economy and a sound environment is going to be easy. I've just met with these congressional leaders, these leaders in the energy field, and we've talked about this. It isn't going to be easy. But I will say that this strategy strikes a delicate balance. As always -- and we're used to that -- there will be critics in every corner, but none of them will propose a plan that is more comprehensive or, in my view, more carefully thought out.

So I believe that this is a good strategy because, along with our abundant natural resources, it draws on our resourcefulness, our nation's remarkable resourcefulness.

From the company that finds more energy-efficient ways to do business, to the scientist who makes a new power source practical, to the individual American at home who finds some new way to save energy, I think we can rely on the most remarkable source of power that the world has ever seen -- and that's the American people.

So I fully endorse this. Senator Wollop gave me a little good advice yesterday that Chairman Bennett Johnston concurred in, and that is that if we are going to get this National Energy Strategy fully adopted and the legislation that's necessary enacted, that the White House -- and they were looking at me when they said this, the President -- must be fully involved. And so I look around this room and I see many people to whom I'm grateful for your commitment to a sound energy strategy. And I just wanted to conclude by telling you that the White House and the President will be strongly involved in trying to implement the legislation, help put through the legislation that is essential to this strategy.

Some of it -- there are some things I think we can do to empower the Executive Branch. But to get this done right and to get it done the way we must, it's going to require a lot of give-and-take, it's going to require a lot of consultation with the Congress. And I just wanted to pledge to all of you interested in this today that I will do my part, I will be fully, actively involved.

So thank you very much for coming. And a special thanks to members of the Cabinet and the Congress. Thank you all very, very much. (Applause.)

END

1:33 P.M. EST