

Energy Policy

ISSUE:

The call for a comprehensive energy policy has grown steadily as gas prices continue to wildly fluctuate and the United States remains heavily dependent on foreign sources for oil. After September 11, 2001, energy became not just an economic issue, but a security issue as well. Members of both political parties have recognized the need for a national energy policy, yet the two sides have substantial differences in their respective strategies on how to best implement a program. Republicans advocate a national energy policy focused on increased production, while Democrats stress conservation.

Congress must address the energy problem, as the issue will not disappear. Over the next 20 years, United States oil consumption will increase by 33 percent and demand for electricity will rise by 45 percent. Future energy demand is going to vastly outstrip our supply if no action is taken.

IMPACT:

On all Americans: A comprehensive energy plan will benefit all Americans through less expensive, more stable energy supplies. From families to small businesses to large corporations, a reliable energy supply will help alleviate price instability and prevent increased pricing of goods and services. Moreover, in the new security environment, America needs to take steps to ensure energy security and to protect the availability of energy to all Americans.

On the construction industry: The potential dividend for the construction industry is considerable. Our nation's energy infrastructure is insufficient and crumbling; new construction and upgrades to plants and transmission infrastructure are desperately needed. The President's plan calls for the construction of 1,300 to 1,900 new power plants and up to 300,000 miles of new gas pipelines and distribution lines. Each new plant will create 1,000 construction jobs and 200 permanent jobs, and every 1,000 miles of pipeline built would create 5,000 new jobs. ABC is committed to ensuring that these new projects are built with open competition, without government-mandated project labor agreements.

STATUS:

The Obama Administration believes that energy reform should revolve around increasing alternative/renewable fuels, such as wind and solar, and the increased use of vehicles powered by these sources. Unfortunately, he does not address the need for America to ramp up domestic production of fossil fuels while implementing this agenda. ABC believes that while these alternative/renewable fuels will be vital to America's future, they can only succeed when coupled with lessening America's dependence on

foreign sources of energy by increased domestic exploration and production of fossil fuels.

On December 19, 2007, President Bush signed into law another energy package, H.R. 6, the *Energy Independence and Security Act of 2007*. The bill's centerpiece is an increase in corporate average fuel economy (CAFE) standards to an average of 35 miles per gallon for cars and light trucks by 2020.

Unfortunately the bill includes a number of provisions expanding Davis-Bacon Act wage requirements on federally supported energy-related projects.

During the 111th Congress ABC will be proactively engaged in lobbying Congress for the need for energy reform that is comprehensive in nature.

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