

Published in *The Hill* on February 23, 2012

Leaving behind the age of oil

By Congresswoman Doris O. Matsui

Those that tell you that we can drill our way to \$2-a-gallon gas are selling fool's gold.

Nationwide, our gas use has consistently gone down over the past couple of years. At the same time, our domestic production is at the highest level it has been in eight years, with the number of rigs in U.S. oil fields quadrupling in the past three years alone. It has even gotten to the point where American refineries have begun to export their fuel abroad - in 2010, we exported 2.3 million barrels of crude oil a day - and our use of foreign oil is at a 16-year low. If the drilling proponents are correct, then our gas prices should be at their lowest. But, with some analysts predicting that gas prices will hit \$5 a gallon this summer, this clearly is not the case.

And, while Americans are paying the price at the pump, the big five oil companies are having banner years for profits. In 2011, these companies had a combined profit of over \$137 billion. At the same time, they enjoyed tax loopholes to the tune of \$40 billion over a decade.

The reality is that gas prices will continue to fluctuate, regardless of how much we increase our domestic oil production. Oil prices are determined by the global market, which is subject to uncontrollable factors like unrest in the Middle East, rising demand in Asia and economic sanctions like those France and Britain are rightfully implementing against Iranian oil.

Moreover, the fact remains that the United States uses the most oil in the world, but only owns 2 percent of the world's oil reserves. Simply put, the only way to fight back against high gas prices is to reduce our nation's dependence on oil - both foreign and domestic.

That's why now, more than ever, is the time to invest in clean energy technologies. By doing

so, we can provide the foundation needed to make a real and significant transition from an oil-intensive energy policy, to one that promotes and encourages safer, cleaner, renewable energy sources - the type of sources that won't fluctuate with unrest in unstable parts of the world or rising oil demand in other countries.

In Sacramento alone, we have over 200 clean energy companies, many of which are small and mid-sized businesses. From converting biomass to fuel, to manufacturing hydrogen fuel cells, to producing solar panels, these companies are committed to finding innovative alternatives that will help transform our country to a clean energy economy. We need to build on these advances by promoting initiatives that spur American clean energy manufacturing. We need to get back to making things in America, and clean energy technologies present a significant economic and job creation opportunity.

Last Congress, the House passed, in a bipartisan manner, my Clean Energy Technology Manufacturing and Export Assistance Act, which will help small and mid-sized American companies compete in the global marketplace while creating jobs in the United States. We need to send this bill to the President's desk this Congress. It is essential that we continue to make investments in America's clean energy sector, so we can help bring our energy policy into a new century and leave behind the age of oil.

While we are working to build up our clean energy sector, we can also do things smarter right now. Last year, the president announced an historic agreement between major automakers, environmentalists and others to raise our vehicle fuel efficiency standards to a target of 54.5 miles per gallon by model year 2025. It is estimated that this will save a typical family more than \$8,000 in fuel costs over time, while American consumers as a whole will save almost \$2 trillion in fuel costs.

Every year as we brace for the upcoming summer driving season, politicians lament about the high projected price of gas. Instead of echoing familiar rhetoric like "drill, baby, drill" that will do nothing to lower gas prices, we need to start putting forth real, meaningful policies, that will reduce our nation's dependence on oil.

This is not something that can be solved today, or even tomorrow. But to make any difference, we have to begin now. Doing so will not only shelter us from unpredictable oil markets and relieve American's pocketbooks, but will also help protect our environment, create jobs, spur manufacturing and strengthen our nation's security.

Rep. Matsui (D-Calif.) is a member of the House Energy and Commerce Committee and the Subcommittee on Environment and the Economy.