





Bush asks Congress to clear way for offshore oil drilling

- Story Highlights
- · Cuba looking to tap Gulf of Mexico oil field
- · President asks for end to legal ban on exploration in coastal waters
- John McCain made similar proposal on Tuesday
- Opponents fear harm to water, wildlife, wetlands

WASHINGTON (CNN) -- President Bush asked Congress Wednesday to permit drilling for oil off America's coasts -- on the outer continental shelf -- to combat rising oil and gas prices.

"There is no excuse for delay," the president said in a Rose Garden statement.

Bush also renewed his demand that Congress allow drilling in Alaska's Arctic National Wildlife Refuge, or ANWR, clear the way for more refineries and encourage efforts to recover oil from shale in areas such as the Green River Basin of Colorado, Utah and Wyoming.

Bush said that the basin potentially contains more than three times as much recoverable oil as Saudi Arabia's proven reserves, and that the high price of oil makes it profitable to extract it.

"In the short run, the American economy will continue to rely largely on oil, and that means we need to increase supply here at home," said Bush, adding there is no more pressing issue than gas prices for many Americans.

The request came a day after presumed Republican presidential nominee John McCain issued the same call.

"For years, the president has pushed Congress to expand our domestic oil supply, but Democrats in Congress have consistently blocked such action," White House Press Secretary Dana Perino told CNN.

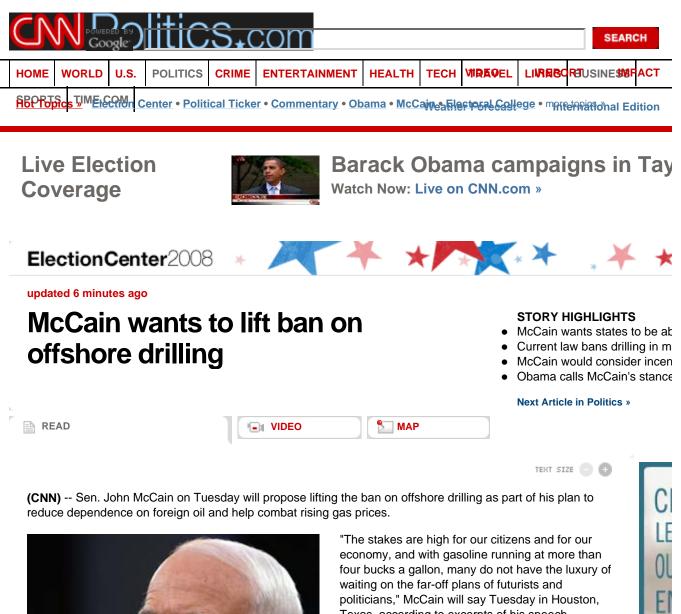
Opponents of offshore drilling say it would harm aquatic <u>ecosystems</u> by eroding wetlands, contaminating the water with chemicals, polluting the air, killing fish and dumping waste.

Bush has long called for opening the Arctic National Wildlife Refuge in Alaska to <u>oil exploration</u>, but Perino said he now wants to go further.

"With gasoline now over <u>\$4 a gallon</u>, ... he will explicitly call on Congress to also pass legislation lifting the congressional ban on safe, environmentally friendly offshore oil drilling," Perino said.

She added, "As with several existing Republican congressional proposals, he wants to work with states to determine where offshore drilling should occur, and also for the federal government to share revenues with the states. The president believes Congress shouldn't waste any more time."

At a campaign event in Houston, Texas, McCain made similar comments.





Sen. John McCain supports allowing states to explore offshore drilling.

Texas, according to excerpts of his speech released by his campaign.

"We have proven oil reserves of at least 21 billion barrels in the United States. But a broad federal moratorium stands in the way of energy exploration and production. And I believe it is time for the federal government to lift these restrictions and to put our own reserves to use."

McCain's plan would let individual states decide whether or not to explore drilling possibilities. Watch a McCain adviser describe the proposal »

The proposal could put McCain at odds with environmentalists who say it's incongruous with his plans to combat global warning. California Gov. Arnold Schwarzenegger, a McCain ally, is also opposed to offshore drilling.

Florida Gov. Charlie Crist had expressed opposition exploring the coastal waters, but he said this week he supports McCain's plan to lift the moratorium and would not rule out letting his state choose to drill offshore.

"It's the last thing in the world I'd like to do, but I also understand what people are paying at the pu

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| understand the drag it is on our economy," Crist told the St. Petersburg Times. "Something has to be done in a responsible, pragmatic way." | | 2 |
|---|---|----------------------|
| Don't Miss Obama lays out energy plan, criticizes McCain's Campaign Issues: Energy Election Center 2008 | The current law, which has been in effect since 1981, covers most of the country's coastal waters. | 3 |
| | Many officials from coastal states oppose offshore drilling because of the risk of oil spills that can spoil beaches. Environmentalists want offshore drilling to stop, to protect the oceans from further pollution. | 4 |
| | | 5 |
| "The next president must be willing to break with the energy policies not just of the current administration, but the administrations that preceded it, and lead a great national campaign to achieve energy security for America," McCain will say Tuesday. | | 6 |
| McCain on Monday said incentives could possibly be provided for states that choose to permit exploration off their coasts, adding that "exploration is a step toward the longer-term goal." | | 7 |
| Tuesday's discussion marks the first in a series of talks about America's energy security that McCain will hold during the next two weeks as he lays out his plan to reduce the country's dependence on foreign oil. | | 8 |
| McCain does oppose drilling in some parts of the wilderness and says those areas must be left undisturbed. | | 9 |
| "When America set aside the Arctic National Wildlife Refuge, we called it a 'refuge' for a reason," he will say. | | |
| McCain on Tuesday will also criticize the energy policy of rival Barack Obama. | | 1(|
| "He says that high oil prices are not the problem, but only that they rose too quickly. He's doesn't support new domestic production. He doesn't support new nuclear plants. He doesn't support more traditional use of coal, either," McCain will say. | | |
| "So what does Sen. Obama support in energy policy? Well, for starters he supported the energy bill of 2005 a grab bag of corporate favors that I opposed. And now he supports new taxes on energy producers. He wants a windfall profits tax on oil, to go along with the new taxes he also plans for coal and natural gas. If the plan sounds familiar, it's because that was President Jimmy Carter's big idea too and a lot of good it did us," he will say. | | Ads t NC, : |
| McCain will argue that a windfall profits tax will only increase the country's dependence on foreign oil and be an obstacle to domestic exploration. | | A nev count |
| "I'm all for recycling but it's better applied to paper and plastic than to the failed policies of the 1970s," he will say. | | www 2nd (Cana |
| Obama on Tuesday blasted McCain for changing his stance on offshore drilling. | | Free |
| "John McCain's support of the moratorium on offshore drilling during his first presidential campaign was certainly laudable, but his decision to completely change his position and tell a group of Houston oil executives exactly what they wanted to hear today was the same Washington politics that has prevented us from achieving energy independence for decades," he said in a statement. | | The I Profi |
| "It's another example of short-term political posturing from Washington, not the long-term leadership we need to solve our dependence on oil," he said. | | <u>Ener</u> į |
| Obama says a windfall profits tax would ease the burden of energy costs on working families. He also wants to invest in affordable, renewable energy sources. | | |

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Controversy over offshore drilling first surfaced in the United States in 1969, after a crack in the sea floor led to a huge oil spill off Santa

Barbara, California.

During the 1970s, when many Arab nations launched an oil embargo, many U.S. officials pushed for the exploration of offshore drilling of the coastal U.S. Environmentalists responded by turning up the volume on their cries against offshore drilling. E-mail to a friend \searrow | Mixx it | Share

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"We have proven oil reserves of at least 21 billion barrels in the United States," he said. "But a broad federal moratorium stands in the way of energy exploration and production. And I believe it is time for the federal government to lift these restrictions and to put our own reserves to use." Watch McCain state his new position on drilling »

He said lifting the ban could be done "in ways that are consistent with sensible standards of environmental protection."

McCain's plan would let individual states decide whether to explore drilling possibilities.

According to his campaign, presumptive Democratic nominee Barack Obama wants to invest \$150 billion over the next 10 years to establish a green energy sector, create a national low-carbon fuel standard to ensure that the fuel is more efficient, and invest in clean energies like solar, wind and biodiesel.

New drilling already could be in the works 50 miles off the Florida coast -- by <u>Cubans</u>, not Americans, with help from China and other allies. A rich undersea oil field stretches into Cuban waters near the Florida Keys.

"The people I represent can't understand how we can possibly let China end up with rights to our oil and gas in the Gulf of Mexico because we say we're not going to do it and they say, 'OK, we'll do it and we'll work with Cuba, if we have to, to do it,'" said U.S. Rep. Zach Wamp, R-Tennessee. "That's really asinine."

CNN White House Correspondent Ed Henry contributed to this report.

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