

Senate Democratic Policy Committee Hearing

“Lessons from Enron: An Oversight Hearing on Gas Prices and Energy Trading”

Statement of Senator Harry Reid

May 8, 2006

Thank you for having this hearing Mr. Chairman. You could not have timed it better.

In the wake of spikes in the price of oil and natural gas, the nation's eyes are focused on the big oil companies' greed and enormous profits.

The DPC's work to pry open the Bush Administration's seal of secrecy – which started with the Cheney Energy Task Force - is more critical now than ever.

This hearing is important too because this Congress has done little or no real oversight of an Administration that seems to care very little about every day people's concerns.

Gasoline prices have risen more than 100% in most parts of the country since this Administration came into office.

Nevadans are now paying an all time record amount for their gasoline and diesel fuel – in some places more than \$3.15 per gallon.

Natural gas prices were rising too fast for no obvious reason before and then spiked shortly after Hurricanes Katrina and Rita. Today, they remain high and unpredictable. Not all of these increases can be pegged to real world supply problems.

The oil companies blame international tension and demand and then increase their prices.

I blame the Bush Administration.

Its energy policy, its failed foreign policy, its failure to quickly reconstruct New Orleans and the surrounding energy infrastructure there and in Iraq, and the Administration's wildly misplaced budget and enforcement priorities have left America unprepared and with an unresponsive government.

From the beginning, the Bush-Cheney Administration has been intentionally rolling back consumer and environmental protections to let their energy supporters have a field day.

The oil company CEOs like to explain condescendingly that the markets are complicated and there are many reasons that prices are skyrocketing. They even tried to blame the ethanol industry for the oil industry's own failure to gradually phase out MTBE.

We need a new approach by the Federal government. We need one that benefits the consumers, not just the wealthy energy producers and speculators.

Mr. Chairman, Senators, you have put together a great panel today. I hope this hearing will prick the conscience of the Bush-Cheney Administration and make them think a little harder about how their actions or inaction is hurting regular Americans.

I hope it will lead to some good legislation to shine some light into the darker corners of this Administration and onto the energy markets and its profiteers.