

combined to create a home heating oil crisis in the Northeast the following winter. At the start of the summer of 2000, people in the Midwest were paying record prices for petroleum products. Later that summer, a decaying gas pipeline in New Mexico exploded, killing an entire family.

The winter of 2000 brought new challenges. Consumers were paying an average 30 percent more to heat their homes than they had the previous year. The summer of 2001 saw the collapse of the California electricity market, with blackouts and previously unthinkable electricity prices. Last fall, we began a war against terror that may impact our supplies of oil from the Middle East.

Energy policy is about more than the price of gasoline at the pump today. A comprehensive energy policy will require thoughtful, and often difficult, choices today to ensure secure, affordable and sustainable energy in the future. The bill before us addresses many of these choices. It aims to secure new, as well as traditional, energy supplies; promote investment in critical infrastructure; expand technology options; reduce energy use and promote energy markets that protect consumers and the environment.

I would like to highlight just a few of the provisions in this bill that I believe advance these objectives. Many of these are items that I worked with Chairman BINGAMAN to have included in this bill and I thank him for his assistance and support.

First, among the bill's efforts to increase our short-term energy security, is a provision that Senator LANDRIEU and I developed directing that the Strategic Petroleum Reserve be filled to capacity. It also requires a review to determine whether the size of the Reserve and our capacity for refining and transporting the Reserve oil are adequate to respond to a severe supply disruption. The bill also moves the Nation toward greater long-term security by providing incentives for development of Alaska's natural gas resources. Other provisions to expand the use of renewable fuels for transportation will ease both short- and long-term supply uncertainties, while reducing the environmental costs of petroleum.

The energy bill also acknowledges the critical role that innovation and technology deployment will play in our long-term energy strategy. The bill expands energy research and development in traditional as well as alternative energy. This bill also calls for the Department of Energy to identify ways to accelerate innovation and reduce barriers to technology development.

The tax provisions of the bill, which I understand will be added at a later date, also aim to balance incentives for increasing conventional and alternative energy supplies, including credits for marginal oil well production, clean coal technology and renewable energy production. In addition to supply incentives, the package contains

provisions to address energy demand, including credits for efficient cars, homes and appliances which will help to reduce energy use while promoting technology development.

Another way that I believe that the Federal Government can play a significant role in promoting efficient technologies is by using its own purchasing power. Last year, I introduced a bill, S. 1358, to provide resources and enhance accountability for the Federal Government's efforts to improve its own efficiency and reduce its energy use. The bill would establish energy reduction goals and performance standards for Federal buildings and fleets; ensure that Federal procurement policies promote purchases of the most efficient equipment and supplies and create a Federal revolving fund, or "energy bank" to help agencies finance efficiency improvements. Many of these initiatives have been incorporated into the bill before us; I believe they will reduce the Federal energy bill and build the market for efficiency technologies.

Another area in which the bill provides assistance for advanced energy technologies is a voluntary demonstration program, which I also supported, to help schools and communities secure newer school buses that use clean diesel and natural gas technology. A growing market will help to bring down the cost of these new technologies and let communities reap the air quality benefits in the process.

The bill also recognizes the requirements of new energy markets. For instance, S. 517 replaces the archaic Public Utility Holding Company Act of 1935 with regulatory and oversight mechanisms that protect the consumer in the modern marketplace and promote investment in the energy sector. It also acknowledges that effective energy planning must occur across State lines and provides for regional energy coordination without undermining States' authority.

These are just a few of the important ideas in the bill that deserve support; there are many more. There are also many difficult issues that will need to be resolved. We will not all be able to agree on every provision in this bill, but it is critical that we work across party and regional lines to find compromise where we can and move forward with a comprehensive policy. The alternative is to persist in our national amnesia about our energy problems, ensuring that the spiking prices, infrastructure failures and energy insecurity of the past become part of our future.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

WTO DISPUTE

Mr. DODD. Mr. President, on February 1, 2002, the World Trade Organization adopted a report by its Appellate Body that concluded that a U.S. law known as Section 211 violates U.S. obligations to protect and enforce intellectual property rights under the Agreement on Trade Related Aspects of Intellectual Property Rights, TRIPS. The WTO urged the United States to take the necessary steps to bring the United States into compliance with its international obligations. This decision provides Congress with an opportunity—a chance to reaffirm our commitment to the protection of intellectual property rights by repealing Section 211 in its entirety.

Section 211 is a special interest provision that was added into the FY 1999 Omnibus Appropriations Act at the behest of Bacardi, Ltd., a Bermuda-based corporation, just prior to enactment. It was not considered in conference, in any committee, or on the floor of either House of Congress. This ill-conceived provision triggered the WTO complaint against the United States and has undermined U.S. leadership in promoting strong protection for intellectual property rights in the global marketplace.

The Appellate Body concluded that key provisions of Section 211 violate two fundamental principles of WTO rules—national treatment and most-favored-nation treatment—which prohibit WTO members from discriminating against intellectual property right holders based on nationality. For over 100 years, these principles have obligated our trading partners to protect U.S. trademark and trade name holders from discrimination abroad. The Appellate Body found, however, that Section 211 violated these longstanding U.S. obligations by imposing obstacles on foreign intellectual property right holders that do not exist for U.S. and other nationals.

The United States cannot appeal the Appellate Body's conclusion that Section 211 clearly violates WTO rules. Following last week's formal adoption of the Appellate Body report by the WTO's Dispute Settlement Body, the United States has only a short time to correct its violations and come into compliance with WTO rules. If the United States fails to do so, it will have to offer compensation or face possible retaliatory measures against U.S. intellectual property right holders and other trade interests.

Even more troubling than the threat of retaliation, however, is the fact that Section 211 and the Appellate Body decision may serve as a model for other countries that wish to make it more difficult for U.S. intellectual property holders to protect and enforce their rights abroad. While the Appellate Body concluded that Section 211 violates national treatment and MFN, it let stand other U.S. arguments that suggest that WTO members are free to deny protection to trademark right