

between the Canadian and U.S. Governments. The panels can provide prospective but not retroactive relief. In any event, these funds are rightly due under U.S. law to the injured domestic timber industry. If there is a negotiated solution, the funds can be apportioned fairly as part of the settlement.

There is zero likelihood that the countervailing duty, antisubsidy, order will disappear absent settlement of the lumber subsidy and dumping issues, no matter how often a NAFTA panel tries to achieve this outcome.

The U.S. right to challenge Canadian log export restrictions at the WTO is clear under the WTO, and Canada is clearly in violation of its WTO obligations. I understand that the Bush administration is evaluating this issue.

I also understand that the U.S. timber industry intends to bring a constitutional challenge to NAFTA dispute settlement if the lumber dumping issue is not resolved. The future of U.S. sawmills and millworkers cannot be allowed to be ruined by outlandish decisionmaking by NAFTA dispute panels and a panelist's service with an obvious, undisclosed conflict of interest.

Mr. BAUCUS. I agree completely with my colleagues. As suggested, a NAFTA dispute panel is requiring that the Commerce Department issue today yet another revised version of the original 2002 lumber-subsidy determination. Given the panel's pattern of overreaching, it may be a relatively low subsidy estimate. If so, this will be trumpeted in headlines across Canada as a victory for Canada's lumber policies. Before all those editorial writers seize on this supposed "victory," they should understand that this determination will have absolutely no legal effect. It is the Commerce Department's December 2004 findings of a subsidy of over 17 percent and dumping of 4 percent that controls. Hying the January 24 decision as having any meaning performs a disservice to Canadian interests, which lie in a mutually beneficial negotiated settlement.

Nothing can change the facts. The Canadian provinces provide timber to their lumber companies for a fraction of its value. This harms not only U.S. sawmills, millworkers and family forest landowners, but also the Canadian forest. Environmental groups have long decried the overharvesting of timber caused by undervaluing the resource.

WIND TRANSMISSION FUNDING

Mr. DORGAN. Mr. President, I rise to discuss funding for a wind transmission study that was included in the fiscal year 2005 Omnibus Appropriations bill signed into law last December. As a member of the Senate Energy and Water Appropriations Subcommittee, I appreciated the efforts of Senators DOMENICI and REID, the chairman and the ranking member of our subcommittee, to include \$500,000 for the Western Area Power Administration, WAPA, to continue its work on the

placement of additional wind capacity in the Dakotas. They have generously provided funding for similar work for the past two years, and I am glad these efforts will be continued during this coming fiscal year.

North Dakota is the "Saudi Arabia" of wind. The Department of Energy has long identified North Dakota as having the greatest wind energy resource and potential for wind generation development in the lower 48 States. During my time in the Senate, I have been pushing hard on a number of fronts to develop our wind energy resources. For example, I have been a strong supporter of the Renewable Portfolio Standard, RPS, which requires utilities to produce 10 percent of their electricity from renewable energy sources by 2020. In addition, I believe the Federal Government should be a leader in this area and develop a policy of purchasing electricity from renewable energy sources.

Last February, I hosted the Fifth Annual Wind Energy Conference with the Energy and Environmental Research Center at the University of North Dakota to further promote this clean and limitless energy resource. Wind energy stakeholders from around the Nation attended this successful event, which attracted 436 people from 30 States and three Canadian provinces. Last year, the conference included a second day of events because of the overwhelming interest in wind energy. As a result of the wind energy industry's growth, North Dakota's skyline and economic future are forever changing and progressing forward. We will be doing another conference in February 2005, which more broadly embraces renewable energy in the Upper Midwest.

Despite my continued efforts to increase the use of wind as an energy source, North Dakota faces many transmission challenges in moving wind energy to other parts of the country. I have held field hearings in North Dakota on these issues and have also supported the development of new transmission technologies. While the Senate has wisely included funding for the last several years for WAPA to make some progress on these transmission problems, the fact remains that more needs to be done. WAPA and others have done a number of general studies on this issue and I think the next steps are clear. WAPA should use the funding earmarked in FY2005 for an Environmental Impact Study, EIS, that would allow transmission expansion for wind generation to be placed in North and South Dakota and should use the remaining funds to support specific demonstration projects in the region.

With respect to site-specific projects to support wind development for future electric generation, I believe that WAPA should first develop parameters for determining what constitutes a bona fide wind project. In doing this, WAPA should ensure that projects meet the following requirements: a

minimum period of at least one year; minimum anemometer height of at least 40 meters; multiple monitoring points allowing calculation of wind shear; a defined system interconnection point and wind right easements adequate for the proposed project. To make these limited funds stretch farther, I would expect any proposed project to include a 50-50 cost share provision. It is my hope that WAPA will be able to support projects that will accurately determine the transmission requirements and related costs associated with the installation of specific wind and coal generation projects.

Following this guidance, it is my expectation that WAPA will use this funding to make real progress on these transmission problems in the next fiscal year, and provide wider benefits to the large region of the U.S. served by WAPA. After all, WAPA was created to market hydropower, a renewable energy resource. Wind is the next step.

FISCAL RESPONSIBILITY FOR A SOUND FUTURE ACT

Mr. CONRAD. Mr. President, the Fiscal Responsibility for a Sound Future Act, S. 19, would help restore budget discipline and fiscal responsibility to our Nation's finances. Given the Federal budget's dramatic swing from record surplus to record deficit and debt over the last few years, it is vital that we restore the strong budget enforcement mechanisms that have worked in the past.

This legislation would return us to a path of budget discipline by restoring a strong pay-go rule, reinstating sequestration to enforce pay-go and discretionary spending caps, and limiting the use of reconciliation to deficit reduction legislation.

The first step we should take to put our Nation's finances back in order is to stop digging the hole deeper. Restoring a strong pay-go rule would help to do exactly that. This legislation would restore the Senate pay-as-you-go rule to require that mandatory spending and tax legislation be fully paid for, or be subject to a 60-vote point of order. Pay-go is one of the crucial budget enforcement tools that allowed the Federal Government to move from deficit to surplus in the 1990s. Unfortunately, the Senate pay-go rule has been weakened in recent years, in order to allow for passage of large tax cuts. Since then, deficits and debt have skyrocketed.

In 2004, a Democratic amendment was adopted to the Senate Republican budget resolution that would have restored a strong pay-go rule requiring that both mandatory spending and tax cuts be paid for. However, the Republican leadership refused to accept a budget resolution conference agreement that contained the provision, so the budget resolution was never adopted and the strong pay-go rule was never brought into effect. The Fiscal Responsibility for a Sound Future Act