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Pelosi leans to offshore drilling

Energy package intended to ease anxieties in party

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WASHINGTON - House Speaker <u>Nancy Pelosi</u> is considering legislation that would permit new offshore drilling as part of a broad energy bill, a response to growing anxiety within her party that Republicans are gaining traction in election-year attacks that Democrats aren't doing enough to address high gasoline prices.

One proposal being considered would let states decide whether to permit new energy exploration off their coasts while possibly maintaining the drilling ban off the Pacific coast, according to a House leadership aide who requested anonymity because of the sensitivity of negotiations.

Pelosi, a San Francisco Democrat, has long opposed lifting the drilling ban but has come under pressure from members of her own party - including freshmen in tough re-election campaigns - to allow a vote on offshore drilling. Adding to that, the presumptive Democratic presidential candidate, <u>Sen. Barack Obama</u>, recently said that he would be open to limited offshore drilling if it was part of a broader energy compromise.

A vote is now likely to be held next month, after the House returns from its summer recess.

What exactly would be voted on was still being discussed yesterday. Democrats are expected to insist that any bill include some of their priorities, such as repeal of oil industry tax breaks and a requirement that utilities generate more electricity from cleaner energy sources.

Pelosi said on CNN's *Larry King Live* earlier this week that she would consider a vote on offshore drilling, "but it has to be part of something that says we want to bring immediate relief to the public and not just a hoax" - part of a broader package that would likely include investment in alternative energy sources, releasing oil from the Strategic Petroleum Reserve and targeting speculation in energy markets.

Pro-drilling forces remained suspicious.

"Just because a bill comes to the floor with 'offshore' and 'energy' in the title doesn't mean it's a good offshore drilling bill," said Brian Kennedy, a former House Republican leadership aide who is now with the Institute for Energy Research, a Washington research group that promotes free-market energy policies. "Speaker Pelosi is only going to schedule a vote on an offshore energy bill if she believes it would be politically perilous

not to, and even then, it's not going to have much energy in it."

While <u>President Bush</u> and the presumptive Republican presidential candidate, <u>Sen. John McCain</u>, have called for lifting the long-standing ban on new offshore drilling, Pelosi has called it an election-year "hoax" by oil industry allies that would provide no immediate relief from high gas prices and, even in the long run, have only a negligible effect on energy costs at potential risk to the environment.

At least 31 Democrats have signed on as co-sponsors of legislation to permit new drilling 25 miles off the coast - or, if states object, 50 miles offshore. The number of Democratic supporters is expected to grow once lawmakers get an earful from their constituents about high gasoline prices, said Dave Helfert, a spokesman for Rep. Neil Abercrombie, a Hawaii Democrat who is one of the bill's chief sponsors. When Republicans are added, the bill currently has 124 House sponsors.

While the bill enjoys the expected support of oil-patch Democrats, it also has the backing of some Democrats who have previously voted against new offshore drilling. It includes measures aimed at attracting more Democratic support, such as funding for such party priorities as development of alternative fuels, like solar and wind power, and energy assistance to low-income households.

The idea of letting states decide whether to permit drilling has gained support in the Senate, too. A bipartisan group of senators recently unveiled a compromise that would let Virginia, North Carolina, South Carolina and Georgia decide whether to allow drilling 50 miles off their shorelines.

Opponents are stepping up their efforts to preserve the ban.

MoveOn.org Political Action has run radio ads in some GOP-held districts attacking the incumbents for accepting oil industry campaign contributions and calling new offshore drilling a "gimmick" that wouldn't produce oil for years.