

Business

Senators Share Gas Hors d'Oeuvres to Break Impasse

Jim Snyder

November 27, 2012, 12:00 AM EST

He took her to a solar-panel manufacturer in Oregon and a factory that makes a buoy to capture the energy of waves.

She showed off a natural gas export terminal in Alaska where they ate graham crackers dipped in a liquefied version of the fuel, part of a demonstration to showcase its benign properties.

Democrat Ron Wyden, who will take over as chairman of the U.S. Senate energy committee in January, and Lisa Murkowski, the panel's top Republican, say the tours to each other's home states cemented a warm bond between the two and taught them new lessons, such as the fact that a graham cracker soaked in liquid gas tastes like a graham cracker.

"She's just really refreshing," Oregon's Wyden said of his Alaska counterpart. "In a place where so often people say 'a' but really mean 'b,' that's not the case with Senator Murkowski."

Now they say the relationship can help break an impasse on energy policy in

Washington, where they will lead a committee with oversight for everything from export licenses to ship natural gas to Asia to offshore oil development, renewable energy production and nuclear waste disposal.

“There are areas where we can and should be looking to legislate,” Murkowski, 55, said in an interview.

The two took the trips -- in August to Alaska and in 2011 to Oregon -- before they even knew who would take over the committee in the next Congress. Wyden, 63, will become chairman because Democrats kept control of the Senate and the current chairman, Senator Jeff Bingaman of New Mexico, is retiring.

Energy Bills

Congress has been unable to pass a major energy bill since 2007, when lawmakers agreed to increase fuel efficiency requirements to automobiles and production of biofuels.

Since then, the energy landscape has undergone a “transformational shift,” Wyden said in a telephone interview. Wind and solar power generation has doubled, and natural gas and oil production is booming thanks to advances in a drilling process known as hydraulic fracturing.

The increase has reduced dependence on foreign oil to its lowest level in two decades. Cleaner, cheaper natural gas, meanwhile, is edging out coal in electricity generation.

Direction from Congress can provide more “certainty and predictability,” driving investment and creating jobs, Wyden said.

“Gridlock is hampering our economy,” he said.

‘Sore Spots’

Hammering out a deal in committee, of course, is only the start of the process. Senate leaders control what measures come to the floor for a vote and the amendments that can be offered during debate.

Once the legislation clears the Senate, the Republican-controlled House awaits. This Congress is on pace to pass the fewest number of bills in at least 20 years, according to information from the Library of Congress.

Wyden and Murkowski say they’ll try to focus on issues where there is agreement. That could keep traditional flash points such as drilling in the Arctic National Wildlife Refuge off the table, at least initially.

“If we wanted to, we could start this off in a pretty difficult way, but I don’t think either one of us is looking to do that,” Murkowski said. “We’re looking to accomplish things rather than to find areas of opposition and obstruction.”

The friendship harkens back to a time when crossing the aisle to find compromise was more common, said Burdett Loomis, a University of Kansas political science professor, in a telephone interview.

‘Stuff Done’

“It’s an old-fashioned way of having a chairman of a committee and having a ranking member working together to get stuff done,” he said.

Energy is an area where Democrats and Republicans historically have found agreement, in part because positions are sometimes determined by geography

rather than party affiliation.

Farm-state members favor corn-based ethanol, for example, whereas both Republicans and Democrats from the Gulf Coast have resisted proposed tax increases on oil and gas companies that drive the economy in that region.

The partisan split has sharpened in recent years as Democrats pushed climate-change legislation that Republicans saw as too intrusive into the economy.

Republicans also attacked clean-energy programs that Democrats favored.

“Partisan differences are much greater now,” Loomis said. “As individuals, someone like a Wyden or a Murkowski may not be restrained, but if you can’t sell it to a lot of people, you can’t move forward.”

Thoughtful Leader

Wyden, who called Bingaman a “really thoughtful, reflective energy and public-policy leader,” said no one could have accomplished anything in the current Congress given the heightened partisanship.

“In the last couple of years he was playing arguably one of the toughest hands I’ve seen in the Senate,” Wyden said.

Elections can wipe the slate clean, he said. Both Wyden and Murkowski said their colleagues have told them individually agreement on energy issues can be found.

One immediate shift may be over the issue of how much revenue energy-producing states should retain and how much should be sent to the federal government.

Bingaman opposed the idea of increasing the state share, saying it would increase the federal budget deficit. Murkowski and other coastal state senators argued the states that take on the risk associated with energy development should reap more of the reward.

'Some Friction'

While saying she and Bingaman have a good personal relationship, Murkowski said the disagreement over revenue sharing “created some friction” that stalled committee action on other issues.

Wyden said he wants to build a broad coalition of “resource communities” that would gain more from development.

His overall goal is to support a “low-carbon economy,” he said. While a tax on carbon remains a “big lift politically,” the committee could instead promote hydropower, biomass and geothermal power sources as a way to lower emissions, Wyden said. That would benefit both Oregon and Alaska, Wyden said.

“I’m very energized and optimistic about the possibilities here,” said McKie Campbell, the Republican staff director for the committee, in an interview.

Gas Exports

One area of potential disagreement is natural gas exports. ConocoPhillips sends liquefied natural gas to Japan from a terminal in Kenai, Alaska. The company’s license expires in March.

Wyden has said he’s concerned the U.S. could be trading away a competitive advantage of cheap energy by allowing more exports. The U.S. Energy

Department is reviewing at least 15 applications to build export terminals.

Alaska's situation may be unique, he said. If not exported to Asia, the fuel just may sit unused in the state because it can't reach the continental U.S., Wyden said.

"Of course, we're not going to agree on everything," he said. Yet there is more common ground than not, he said.

"Now that we've had an election, there is an opportunity for renewal and progress on a whole host of these issues," Wyden said.

[Terms of Service](#) [Do Not Sell My Info \(California\)](#) [Trademarks](#) [Privacy Policy](#)

©2022 Bloomberg L.P. All Rights Reserved

[Careers](#) [Made in NYC](#) [Advertise](#) [Ad Choices](#) [Help](#)