

Remarks by the President on American Energy

Nashua Community College
Nashua, New Hampshire

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THE PRESIDENT: Hello, Nashua! (Applause.) It is good to be back in New Hampshire! (Applause.)

Thank you, Mike, for that wonderful introduction and for your service to our country. I want to thank the president of Nashua Community College, Lucille Jordan, for hosting us here today. Give Lucille a big round of applause. (Applause.) We've got Professor Paul Wunderlich, who gave me a great tour. Where's Paul? Where is he? He's got a beard -- you can see him. (Laughter.) There he is. And I want to thank your Mayor, Donnalee Lozeau, for joining us here today. (Applause.) Where's Donnalee? Right over there -- there. Right in there.

AUDIENCE MEMBER: We love you!

THE PRESIDENT: I love you back. It is good to be back in New Hampshire.

AUDIENCE MEMBER: (Inaudible) 911! 911! Somebody's down!

THE PRESIDENT: Okay, we'll be all right. They probably were just standing too long. Just give them a little space. Where's our EMS folks? They'll be okay. Just give him a little space. This happens sometimes. You guys been here a while after the magging?

AUDIENCE: Yes.

THE PRESIDENT: Well, no, you have to eat ahead of time. (Laughter.) Keep your blood sugar high. We got somebody over there? Jordan, right in the middle. There we go. Here's our guy. Make a little room, everybody. All right, let's make sure everybody is okay. You all right? All good? Okay. I think you're going to be all right. Okay. (Applause.) So remember, eat before you come to a presidential event. (Laughter.)

Now, I am from Chicago, so you know a little snow was not going to keep me away -- (applause) -- which is why I can relate to New Hampshireites, because this is just like a dusting. (Laughter.) What's the big deal? There's no big deal. When Air Force One landed there were like 50 people waiting to shake my hand -- they got icicles on their eyebrows. (Laughter.) I was like, hey, great weather. (Laughter.) So I want to thank all of you for making the trek out here. I really appreciate it.

I just had a chance to look at some of the cutting-edge work that's being done here at the auto shop. Earlier this week, I gave a speech to American autoworkers where I said that one reason this country has an auto industry today is because we're not just building cars again -- (applause) -- we're building cars that use less oil, cars that go further on a gallon of gas. And in part, that's because of what's happening in places like this community college. It's because of so many of you.

I don't need to tell you why fuel efficiency is so important, especially right now. Most of you filled up your gas tanks in the last week or two, am I right?

AUDIENCE: Yes.

THE PRESIDENT: It hasn't been a happy experience. You've see the prices go up almost every day and you've already felt the pinch, whether you own a car or maybe you own a small business that uses energy. Some of you have no choice but to drive a long way to work. And higher gas prices are like a tax straight out of your paycheck. And in the winter, the rising price of oil is also making it more expensive to heat your homes.

Now, I know this is hard to believe, but some politicians are seeing higher gas prices as a political opportunity. You're shocked, I know. (Laughter.) But it's true -- right in the middle of an election year. Who would have thought? (Laughter.) So recently, the lead in one news story said -- and I'm quoting here -- "Gasoline prices are on the rise and Republicans are licking their chops." Licking their chops. Now, let me tell you, only in politics do people respond to bad news with such enthusiasm. (Laughter.) That doesn't happen anywhere else.

And so, as a consequence, you can anticipate we're going to be hearing a lot about how people have these magic 3-point plans to make sure that you're only paying \$2-a-gallon gas. Just like we heard about it in the last election, just like we've heard about it for the last 30 years. And you know what the essence of their plan is going to be, which is: Step one, drill. Step two, drill. Step three, keep drilling. And by the way, we'll drill in your backyard. Wherever it is, we're just going to put

up more rigs.

Now, if there's one thing I know about New Hampshire, it's that your political bull detector is pretty keen. It's pretty sharp. (Applause.) You know that we can't just drill our way to lower gas prices. There are no quick fixes or silver bullets. If somebody tells you there are, they're not telling you the truth.

If we're going to take control of our energy future -- which we have to do -- if we're going to avoid high gas prices every single year, with a lot of politicians talking every single year but nothing happening -- if we're going to avoid that, then we've got to have an all-of-the-above strategy that develops every single source of American energy. Not just oil and gas, but also wind and solar and biofuels. (Applause.) We've got to keep developing the technology that allows us to use less oil in our cars and trucks, less oil in our buildings and our factories. And that's the strategy we've been pursuing for the last three years, and it's the only real solution to this challenge.

Now, here's the good news. We're making progress. And you can see it in this chart. There's a chart behind me right here -- we're using visual aids today. (Laughter.) The bar on the left shows that six years ago, 60 percent of the oil we used was imported. Since I took office, America's dependence on foreign oil has gone down every single year. Every single year. (Applause.) In fact, in 2010, it was under 50 percent for the first time in 13 years -- for the first time. (Applause.)

And we gave one of these handy charts to everybody who came today, so you can impress your family and friends with your knowledge. (Laughter.) It makes a great conversation piece at parties. (Laughter.)

Now, one of the reasons our oil -- our dependence on foreign oil is down is because of policies put in place by our administration, but also our predecessor's administration. And whoever succeeds me is going to have to keep it up. This is not going to be solved by one party; it's not going to be solved by one administration; it's not going to be solved by slogans; it's not going to be solved by phony rhetoric. It's going to be solved by a sustained, all-of-the-above energy strategy.

And no matter what you hear from some folks in an election year, the key part of this strategy over the last three years has been to increase safe, responsible oil production here at home while also pursuing clean energy for the future. We don't have to choose between one or the other, we've got to do both. (Applause.)

So when it comes to oil production, under my administration, America is producing more oil today than at any time in the last eight years. That is a fact. That's a fact. (Applause.) Under my administration, we have a near-record number of oil rigs operating right now -- more working oil and gas rigs than the rest of the world combined. Think about that. That's a fact. (Applause.)

We've opened up millions of new acres for oil and gas exploration where appropriate and where it is done safely, and we've approved more than 400 drilling permits since we put in place new safety standards to make sure that we don't have the same kind of spill that we had down in the Gulf a couple of years ago. (Applause.)

And we've approved dozens of new pipelines to move oil around, including from Canada. Just this week, we announced that we'll do whatever we can to help speed the construction of a pipeline in Oklahoma that will relieve a bottleneck for oil that needs to get to the Gulf. And that's going to help create jobs and encourage production.

So we're focused on American oil production. We are doing all that we can in a safe, responsible way to make sure that American oil production and gas production is high. But here's the thing. The amount of oil that we drill at home doesn't set the price of gas on its own. And the reason is, is because oil is bought and sold on the world energy market. And just like last year, the biggest thing that's causing the price of oil to rise right now is instability in the Middle East. This time it's Iran. But a lot of folks are nervous about what might happen there, and so they're anticipating there might be a big disruption in terms of flow. And when uncertainty increases, speculation on Wall Street can drive up prices even more. Those are the short-term factors at work here.

So when you start hearing a bunch of folks saying somehow that there's some simple solution, you can turn a nozzle and suddenly we're going to be getting a lot more oil, that's not just how it works. Over the long term, the biggest reason oil prices will rise is because of growing demand in countries like China and India and Brazil.

Just think about this. In five years, the number of cars on the road in China more than tripled. Over the last five years, the number of cars tripled. Nearly 10 million cars were added in China alone in 2010 -- 10 million cars just in one country in one year. So that's using up a lot of oil. And those numbers are only going to get bigger over time. As places like China and India get wealthier, they're going to want to buy cars like we do, and they're going to want to fill them up like we do, and that's going to drive up demand.

So what does this mean for us? What does this mean for America? It means that anybody who tells you that we can just drill our way out of this problem does not know what they're talking about or they're not telling you the truth. (Applause.)

One or the other.

Here's another way to think about it. The United States consumes more than 20 percent of the world's oil, but we only have 2 percent of the world's oil reserves -- 20 percent we use; we only produce 2 percent. And no matter what we do, it's not going to get much above 3 percent. So we're still going to have this huge shortfall. That's why if we really want energy security and energy independence, we've got to start looking at how we use less oil, and use other energy sources that we can renew and that we can control, so we are not subject to the whims of what's happening in other countries. (Applause.)

We have to keep developing new technology that helps us use less energy. We've got to keep relying on American know-how and ingenuity that comes from places like this one, Nashua Community College. That's our future. (Applause.) And that's exactly the path that we've been taking these last three years. Because of the investments we've made, the use of clean, renewable energy in this country has nearly doubled -- and thousands of Americans have jobs because of it.

We're taking every possible action to develop a near 100-year supply of natural gas, which releases fewer carbons. Now that's something that experts believe will support more than 600,000 jobs by the end of the decade. Our cooperation with the private sector has positioned this country to be the world's leading manufacturer of high-tech batteries that will power the next generation of American cars. (Applause.)

And after three decades of doing nothing, we put in place fuel economy standards that will make sure our cars average nearly 55 miles per gallon by the middle of the next decade. That's nearly double what we have today. (Applause.) And that, by the way, applies not just to cars -- it applies to light trucks, and now it's going to apply to heavy trucks as well.

So that means that every time you fill up, you can think to yourself, you know what, I won't have to fill up again for two weeks instead of one week. That's worth applauding. (Applause.) Because what that means is that will save the typical family more than \$8,000 at the pump. And it means that this country will reduce our oil consumption by more than 2 million barrels a day, which means we can continue to see a decline in how much imported oil we need. (Applause.) And that's good for our national security, that's good for our economy, and it's good for our environment. (Applause.)

So that's the strategy we've got to pursue. But we've got to do more, and we've got to do more even faster. We've got to keep investing in developing every available type of American-made energy. And this means that we've got to set some priorities. We've got to make some choices.

First, while there are no short-term silver bullets when it comes to gas prices, I've directed my administration to look for every single area where we can make an impact and help consumers -- from helping to relieve bottlenecks in the places like the one we've got in Oklahoma, to making sure speculators aren't taking advantage of what's going on in the oil markets. And we're just going to keep on announcing steps in the coming weeks; every time we find something that can provide a little bit of relief right now, we're going to do it. (Applause.)

But over the long term, an all-of-the-above strategy requires the right incentives. And here's one of the best examples. Right now, \$4 billion of your tax dollars -- \$4 billion -- subsidizes the oil industry every year.

AUDIENCE: Boo --

THE PRESIDENT: Four billion dollars. Now, these companies are making record profits right now -- tens of billions of dollars a year. Every time you go to the gas tank or fill up your gas tank, they're making money. Every time. Now, does anyone really think that Congress should give them another \$4 billion this year?

AUDIENCE: No!

THE PRESIDENT: Of course not. It's outrageous. It's inexcusable. And I am asking Congress -- eliminate this oil industry giveaway right away. I want them to vote on this in the next few weeks. (Applause.) Let's put every single member of Congress on record: You can stand with the oil companies, or you can stand up for the American people. You can keep subsidizing a fossil fuel that's been getting taxpayer dollars for a century, or you can place your bets on a clean-energy future.

So I'm asking everybody here today, anybody who is watching at home, let your member of Congress know where you stand. Will you do that? (Applause.) Because I know where I stand, New Hampshire. I know where I stand on this. We want to have successful oil companies that are able to get the oil that we have in our country, but we also understand that our future requires us to make investments in clean, renewable energies. And that has to start now. We can't wait. We can't wait until gas has skyrocketed more and people are desperate. We need to start making those investments now.

And most of you guys agree. (Applause.) That's why you're putting your time -- that's why folks here at this community college are learning about building cars and repairing cars that use less oil -- cars that are powered with alternative fuels, like natural gas. That's why the city of Nashua is purchasing a new fleet of trash trucks that run on natural gas.

(Applause.) They're going to go cleaner; they're going to last longer; they're going to be cheaper to fill up. (Applause.)

I saw one of them. It was a good-looking truck. And it put a smile on the Mayor's face, because she knows she's saving money -- she's saving taxpayer money. Good job, Mayor. (Applause.)

So that's part of what that \$4 billion is going to the oil companies right now, that's where it could be going -- to help cities like this one convert their fleets to fuel-efficient cars and trucks, to help private sector companies -- big companies like UPS or Federal Express -- convert their fleets. That can save us money. In fact, since we announced the National Clean Fleets Partnership last year, the companies interested in transitioning their fleets have tripled. And that's part of why this chart is going down.

And I'm proud to say that the federal government is leading by example. One thing the federal government has a lot of is cars. I don't know if you guys are aware of this, but we have a lot of cars. (Laughter.) And I've directed every department, every agency -- every single one -- to make sure that by 2015, 100 percent of the vehicles that the federal government buys are fuel-efficient cars and trucks. (Applause.) Let's save us money.

So this is our future. This is the ultimate solution to our energy challenge. It's not going to be a smooth, easy ride. Some of the clean-energy technologies that are discovered, they won't pan out. Some companies will fail. There's going to be experiments and research that take time. But as long as I'm President, I will not walk away from the promise of clean energy, because our future depends on it. (Applause.) I'm not going to cede the wind or the solar or the battery industry to China or Germany because some politicians in Washington refused to make the same commitment here in the United States of America. (Applause.)

With or without this Congress, I'm going to continue to do whatever I can to develop every source of American energy -- to make sure that three years from now our dependence on foreign oil is even lower, to make sure that our future is not controlled by events on the other side of the world.

We may not have a silver bullet to bring down gas prices tomorrow, or reduce our dependence on foreign oil overnight. But what we do have in this country are limitless sources of energy, and a boundless supply of ingenuity and imagination and talent that we can put to work to develop the energy of the future. (Applause.) We've got you. We've got you. (Applause.)

The easiest thing in the world is to make phony election-year promises about lowering gas prices. But what's harder is to make a serious, sustained commitment to tackle a problem that we've been talking about for 30 years and has not been tackled, has not been solved. It's not going to be solved in one year or one term -- maybe not completely even in one decade. But that's the kind of commitment that we need right now. That's what this moment requires.

And so when I see all the young people who are here today -- or the young at heart -- (laughter) -- we need you guys to keep at it. This is your future at stake. We need you to work hard. We need you to dream big. We need you to summon the same spirit of unbridled optimism, that bold willingness to tackle tough problems that led previous generations to meet the challenges of their time -- to power a nation from coast to coast, to touch the moon, to connect an entire world with our own science and imagination. That's what America is capable of doing.

And it's that history that teaches us that all of our challenges -- all of them -- are within our power, within our grasp to solve. (Applause.) This one is no different. This one is no different. It will require our brightest scientists, our most creative companies, but it's also going to require all of us -- Democrats, Republicans, everybody in between -- to do our part. That's what this moment requires.

And I know we can do it. And when we do, we'll remind the world once again just why it is that the United States of America is the greatest nation on Earth.

Thank you, everybody. God bless you. (Applause.) God bless the United States of America. (Applause.)

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1:55 P.M. EST