

effective and politically feasible way to stimulate production. Although they are "revenue-negative", tax credits are far easier to sell in Congress than oil import fee or a floor price for imported petroleum products. Toward this end, Senators Nickles (R-Oklahoma) and Breaux (D-Louisiana) have each sponsored legislation (S. 374 and S. 1622) which would, among other things, entitle producers and operators to significant credits for an oil and gas exploration and marginal production wells.

The Administration has made no firm commitment to either bill.

The fact that the current Administration seems neither willing nor able to take an active role in assisting domestic gas producers beyond the realms of "initiatives" and "study" is troubling. The Energy Policy Act of the Bush Administration gave President Clinton tools and a mandate to act. He hasn't used them. The campaign enthusiasm, in retrospect, has made the pessimism of producers and operators in the oil and gas regions more extreme. ♦

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