

President George W. Bush's plan to suspend the introduction of ethanol-laced gasoline is "too little, too late," said one petroleum industry official.

Rep. Steny Hoyer (D-Md., 5th) called Thursday for a "Manhattan-style project" to rapidly develop alternative forms of energy, likening it to the collaboration during World War II that led to the development of the atom bomb.

In a speech Tuesday, Bush outlined a series of steps to slow down the rising cost of gas, one of which is halting for the time being a new, more expensive blend of gas, which will be about 5 cents a gallon higher than the current formulation using MTBE.

Reformulated gasoline must be used in the Baltimore metropolitan area as well as Calvert, Charles, Frederick, Montgomery, Prince George's, Cecil, Kent and Queen Anne's counties. Conventional gasoline is used in the remaining areas of the state.

The transition is too far along at petroleum storage terminals, where ethanol has to be added, to stop, said Peter Horigan with the Mid-Atlantic Petroleum Distributors Association.

"The conversion process is well under way," Horigan said. "Most terminals have made provisions to clean out tanks for the storage of ethanol," he said. "It's too little, too late. It's a hollow gesture at best."

"I agree," said F. Elliott Burch, president of Burch Oil Co. All stations Burch supplies have already switched over to ethanol blend, he said.

Governors in the affected states have to request that the introduction of ethanol gasoline be suspended. Henry Falwell, spokesman for Gov. Robert L. Ehrlich Jr. (R), said the governor will seek the waiver. Ehrlich also spoke of suspending the 23.5 cents per gallon state tax on gas on a temporary basis. Maryland Attorney General J. Joseph Curran (D) said that would require a special legislative session.

There is also a proposal by Senate Minority Leader Harry Reid (D-Nev.) to shelve the federal tax of 18.4 cents a gallon as well for 60 days.

Congress last year approved legislation to require gasoline with ethanol, which is made from corn, to be on the market by May 5. Midwest states already use the product.

Gas station owners have been readying for the change, cleaning out storage tanks and replacing filters in gas pumps. "We don't want to go through this again," Horigan said. "The train has left the station. The caboose is not in sight."

The president also announced the temporary suspension of oil purchases for the nation's strategic petroleum reserve in an effort to lessen demand.

"So by deferring deposits until the fall, we'll leave a little more oil on the market. Every little bit helps," he said Tuesday at the Renewable Fuels Summit 2006 in Washington.

Hoyer also took the president to task for the administration's energy policy.

"With their poll numbers hitting rock bottom, Washington Republicans are only now scrambling to address this critical issue out of political desperation, and ironically, they are now embracing many of the proposals that Democrats have been advocating for years," he said.

Hoyer said alternatives include exploring biofuels for vehicles.

He said a "Manhattan-style project" is needed in which experts in science and academic fields would be assembled to develop new technologies in energy. "We need a project like that to address the energy crisis," Hoyer said.

“The Republican focus has been totally on drilling for fossil fuel. And we know fossil fuel is a limited supply.”

Hoyer said Bush’s announcement Tuesday was a sign the GOP is in trouble with midterm elections approaching.

“The Republicans are keenly aware this administration has failed and energy is just a recent example of failing to pursue policies that work for America,” he said.

Red Cavaney, president of the American Petroleum Institute, suggested there was plenty of blame to go around to include Democrats. “Over the past several decades, our nation has chosen a menu of public policy decisions that has resulted in decreased domestic energy production and done little to promote energy conservation and efficiency,” he said.