

# Alliance for ENERGY & ECONOMIC GROWTH

*Energy to secure America's future.*

September 16, 2008

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The Alliance for Energy and Economic Growth (AEEG) is a broad-based, 1,200-member coalition whose members develop, deliver and consume energy from all sources. AEEG believes that a sound, balanced national energy policy is critical to the long-term well-being and economic prosperity of the United States. Consequently, AEEG is writing to express its views on H.R. 6899, the "Comprehensive American Energy Security and Consumer Protection Act," slated for consideration by the House this week.

If Congress truly wants to produce more energy, it should quickly take two steps: (1) extend tax credits for renewable energy and energy efficiency without taxing other industries to do so, and (2) either lift or allow to expire the Congressional moratorium on offshore oil and gas exploration.

American consumers desperately need more energy production. Polls conducted this summer by CNN, Reuters, Zogby, Fox News, Los Angeles Times, Bloomberg, Rasmussen and Quinnipiac University all showed that 60 to 70 percent of Americans favor offshore oil and gas exploration. Private investment in renewable energy and efficiency technologies is steadily increasing. AEEG commends the steps taken in this bill to increase energy security by extending tax credits for renewable energy and energy efficiency, and by enlarging the areas in the OCS available for oil and gas exploration. Congress must be careful, however, not to counteract the benefits of increased production by placing new limitations on the companies doing business in those sectors. Many of these producers already face considerable hurdles, and additional restrictions could cause energy producers to eschew production in the very areas the bill authorizes for new exploration, harming our energy supplies even further. Unfortunately, the access provisions in the House proposal fall far short of the unlimited access that would allow full development of the country's abundant oil and natural gas resources. Moreover, the access that is provided is so bound up in restrictions that no further development may actually occur.

AEEG is also concerned that the proposal contains a mandate that would require utilities to obtain 15 percent of their electricity from non-hydro renewable energy resources. This requirement would raise electricity prices for consumers and upset ongoing renewable energy programs in 27 states and the District of Columbia.

AEEG looks forward to working with the 110<sup>th</sup> Congress for the remainder of the session to advance energy legislation that promotes U.S. energy security by developing all of the country's abundant energy resources while promoting conservation and efficiency.

Sincerely,

The Alliance for Energy and Economic Growth