

Dear Representative:

On behalf of the undersigned state and national leaders, Legislators, Governors, heads of think-tanks and other activist groups, business owners and organizations representing millions of American families, taxpayers and energy consumers, **we urge you to oppose H.R. 2454, “The American Clean Energy and Security Act,” also known as the Waxman-Markey plan** (or Cap-and-Trade/Cap-and-Tax).

This bill was recently passed out of the U.S. House Energy and Commerce Committee and we are urging all members of Congress to oppose consideration of this bill. This bill raises taxes on American families, increases the cost of energy, and eliminates American jobs. These are not proposals we support during the current economic crisis.

The Waxman-Markey bill you are asked to consider will increase energy costs by \$1,500 annually for the typical family of four. Further, the Heritage Foundation estimates that even with the estimated 26 percent reduction in electricity use, electric bills will increase \$754 with the Waxman-Markey plan. Additionally, from 2012 to 2035, a typical family will spend \$12,200 more on its electric bill than in the absence of Waxman-Markey.

Despite the attempts in Waxman-Markey to decrease gas consumption by 15 percent, gas prices will still increase. As a result of the Waxman-Markey plan, an average American family of four will pay an additional \$596 for gas usage in 2035. From 2012 to 2035, the Waxman-Markey plan will cost them an additional \$7,500 in gas costs.

Before all the damage is done from Waxman-Markey, a family of four will see its direct energy costs rise by \$22,800 from 2012 to 2035.

The Waxman-Markey plan does not just raise taxes and increase energy costs, it is expected to end 1,105,000 American jobs annually. The proposed Cap-and-Trade scheme will result in a loss of nearly 2,500,000 million American jobs. Now more than ever, America needs economic policies that lead to job creation, not job destruction. This proposal is not something we are prepared to accept.

**Table I - Percentage of Electricity that Meets Congress’ Definition of ‘Carbon-Free Renewable’ Energy for Each State**

AL	2.5	HI	5.4	MA	0.7	NM	4.5	SD	1.9
AK	0.2	ID	5.5	MI	2.0	NY	1.6	TN	1.0
AZ	0.1	IL	1.4	MN	9.2	NC	1.5	TX	3.9
AR	2.9	IN	0.3	MS	3.1	ND	4.7	UT	0.6
CA	12.6	IA	7.3	MO	0.2	OH	0.3	VT	7.1
CO	5.9	KS	3.8	MT	2.3	OK	3.4	VA	2.9
CT	0.1	KY	0.5	NE	0.8	OR	5.8	WA	4.4
DE	2.1	LA	3.1	NV	3.8	PA	0.9	WV	0.4
FL	1.3	ME	23.8	NH	5.0	RI	2.1	WI	2.6
GA	2.3	MD	0.5	NJ	0.4	SC	1.7	WY	2.0

As indicated in Table I, the Waxman-Markey-mandated Federal Renewable Electricity Standard (which requires the nation to derive 10 percent of electricity from renewable sources by 2012 and 25 percent by 2025) is simply unrealistic given our current situation. Fourteen states are currently receiving less than one percent of their electricity from “renewable” sources. Forcing this unrealistic

mandate without an opt-in option or state-defining renewable option will do nothing more than increase the cost of electricity on rate paying consumers.

States that cannot meet with RES will be face monetary penalties from the federal government. These penalties will be passed onto consumers in the form of higher fees and taxes which they simply cannot afford. Further, by not allowing states to define what is “renewable” in their region, the bill inaccurately assumes that Maine has the same resources available as California. This ill-conceived logic should not be part of any national energy strategy.

Further, the bill calls for the 2050 CO2 emissions rate to be 83 percent lower than the 2005 emissions rate. However, as seen in Table II, 36 states produce their energy using over 80 percent carbon-based fuels. This proposal will cripple state economies, as energy is overwhelmingly derived from carbon-based fuels. Sadly, consumers will experience negative effects from unrealistic goals when they result in higher taxes, increased fees, and higher prices.

**Table II - State Percentage of Energy Supplied by Carbon-Based Fuels**

AL	76.3	HI	94.9	MA	90.8	NM	97.8	SD	84.1
AK	97.8	ID	64.6	MI	86.8	NY	77.5	TN	81.8
AZ	80.9	IL	46.6	MN	85.4	NC	78.1	TX	95.0
AR	77.5	IN	98.6	MS	85.1	ND	95.9	UT	98.3
CA	82.7	IA	90.4	MO	93.6	OH	94.0	VT	52.9
CO	97.6	KS	89.5	MT	79.9	OK	97.0	VA	81.1
CT	75.1	KY	97.4	NE	83.5	OR	59.3	WA	53.1
DE	99.4	LA	91.1	NV	92.1	PA	80.4	WV	98.5
FL	87.4	ME	64.5	NH	68.0	RI	97.0	WI	86.2
GA	81.8	MD	84.6	NJ	84.3	SC	65.8	WY	97.8

A recent poll indicated that 52 percent of registered American voters oppose the cap-and-trade policy contained in the Waxman-Markey plan. Fifty-eight percent said they were unwilling to pay additional money for electricity to combat climate change. Sixty-eight percent disagreed with the notion that Congress should enact a carbon tax to encourage consumers to decrease their electricity usage. In addition, more than 50 percent opposed any carbon tax used to fund energy research. Moreover, 73 percent of respondents placed the economy first among issue priorities.

Based on the evidence above and many other detrimental effects of this disastrous bill, we urge you to oppose the Waxman-Markey Cap-and-Trade/Cap-and-Tax bill as a tax increase that American families simply cannot afford, and energy policy that we cannot accept.

Sincerely,