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Dear Senator:

As you prepare to consider the House-passed HR6, we urge you to reject this legislation, which could result in serious harm to our economy.

Over the years, the keystone of America's oil and natural gas industry has been its reliability. Americans have come to rely on our industry to be there for them with the energy that allows them to get where they need to go, to keep their homes comfortable, to transport their goods, and to fuel the nation's economic engine. Were the Senate to follow in the House's footsteps, the ability of American consumers to get the energy they need, when they need it, could be profoundly impacted.

At a time of tight supply and demand, the legislation under consideration would do absolutely *nothing* to bring to the marketplace one more gallon of gasoline or diesel or one more cubic foot of natural gas. In fact, the opposite may be true. The large tax increases the bill would impose on the industry would discourage companies from investing in increased U.S. oil and natural gas production and expanded refinery capacity – and it would make us less competitive worldwide at a time when the competition for the world's energy resources is intensifying. Further, it would tax away the incentives that have allowed our companies to keep pace with the rising demand in spite of the numerous restrictions – legislative and regulatory – that keep many of the areas rich with energy sources “off limits” to exploration and production.

As the National Taxpayers Union has noted, similar taxes in the past have “simply reduced” domestic oil production. Reducing domestic production flies in the face of government projections that America's energy demand will increase 30 percent over the next 22 years and that we will need *all* sources of energy, including oil and natural gas, to meet the country's needs.

The biofuels mandate in the bill will require huge volumes of a variety of advanced biofuels, betting on yet-to-be-achieved technological breakthroughs to meet the specific, year-by-year usage requirements. Our industry recognizes the importance of having a balanced energy mix and the role that alternative fuels should play in that balance. We helped craft the renewable fuels standards (RFS) in earlier legislation, and our refineries are, in fact, the largest consumers of ethanol. The current mandate recognizes the importance of letting the market determine what fuels – and how much of them – best serve consumer needs. This legislation would take away that function from market forces and give it to government, letting it determine the winners and losers among fuel types. Additionally, the renewable fuels title sets up a new crazy-quilt of boutique biofuels that could strain, indeed could break, the nation's fuel supply system.

For these and other reasons, I strongly urge you to vote “No” on this legislation. It is not too late to start over and produce common-sense legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Red Cavaney", is written below the word "Sincerely,".