

June 15, 2009

Mr Blaise Erickson
211 Geneva Street
Ironwood, Michigan 49938

Dear Mr Erickson:

Thank you for contacting me regarding H.R. 2454, the American Clean Energy and Security Act (ACES). This legislation by Chairman Henry Waxman and Subcommittee Chairman Ed Markey of the Energy and Commerce Committee is a comprehensive bill addressing our dependence on foreign fossil fuels and combating climate change. I sit on the Energy and Commerce Committee and have been an active participant in its development. I appreciate hearing from you concerning this important issue.

The Energy and Commerce Committee has come a long way in developing this legislation. During the week of May 18, the Committee held an unprecedented four-day markup to consider and amend the ACES bill. We spent more than 40 hours in Committee and considered 94 amendments to the bill, and finally approved the measure on May 21, 2009. I voted in support of the final bill.

Let me be clear, I believe we need legislation to combat global warming caused by human activities. According to scientists at the National Aeronautics and Space Administration (NASA), the five hottest years on record have all occurred in the past 10 years, with 2005 breaking the record for the hottest year since 1895. An overwhelming majority of scientists agree that carbon dioxide and other greenhouse gases are causing this unusual warming of our planet.

In 2007, the Intergovernmental Panel on Climate Change finalized its most comprehensive report yet. The report concluded that global warming is caused by human actions, and if nothing is done to curb our greenhouse gas emissions, global temperatures could increase, causing the melting of polar ice caps, significant rise in sea levels, untold impacts on global water supplies, agriculture production, and more intense natural disasters. Since that report, the evidence has become more apparent and the predictions more dire.

Congress needs to move beyond the debate over whether global warming exists. The United States has a unique opportunity to address global warming, reduce our dependence on foreign sources of oil, and revitalize our economy. Over 70 percent of our oil is imported from other countries. Nearly half of that comes from OPEC countries operating an oligarchy designed to increase oil prices. It is imperative that the United States find an alternative to our reliance on oil and other fossil fuels.

Chairman Waxman and Markey's legislation addresses global warming and moves our economy off of fossil fuels. Throughout negotiations and consideration of this bill in the House Energy and Commerce Committee, my priorities were to protect existing Northern

Michigan jobs, create new jobs through developing alternative energy technologies, and make sure that unreasonable costs are not passed on to consumers.

The bill passed by the House Energy and Commerce Committee includes economic incentives that will create jobs in Northern Michigan and throughout the state. The Michigan timber industry will benefit from expanded use of woody biomass for energy production and carbon sequestration projects. Our automotive industry will receive assistance to move us toward energy efficient electric vehicles. I worked to make sure the bill works to bring job growth to our industrial and manufacturing sectors while protection consumers and benefiting our environment.

One change I worked to include is defining "renewable biomass" to incorporate timber resources that were off limits in the original draft of the Waxman/Markey draft. We have a large forest industry that could play a vital role in lowering greenhouse gas emissions, while benefiting the economy of Northern Michigan. I fought to include a broader definition of woody biomass that now includes all timber sales from federal timber sales as an eligible fuel source for renewable energy projects. Fuel stock eligibility should be based on proper sustainability and healthy forest practices, not excluded for arbitrary reasons.

I also worked with several other members to create a "cash for clunkers" program that allows individuals to turn in their older, less fuel efficient vehicles to receive a federal rebate up to \$4,500 toward the purchase of a new, fuel-efficient vehicle. This will reduce our country's oil consumption and greenhouse gas emissions, as well as provide a boost to our domestic auto industry. We amended H.R. 2454 to include this program.

ACES establishes a carbon dioxide cap-and-trade system, but originally left out how to properly regulate and over see a new carbon credit financial market. The financial impact of cap-and-trade on utilities, businesses and households will depend on whether allocations are properly distributed and verified by the EPA, and if excess speculation is controlled in the carbon financial markets. I was successful in adding a version of my Prevent Unfair Manipulation of Prices (PUMP) Act. This section of the bill will grant the Commodity Futures Exchange Commission (CFTC), broad authority to regulate carbon and energy markets to prevent excessive prices based on speculation, fear and greed!

America can responsibly reduce harmful emissions of carbon dioxide and other greenhouse gases that cause global warming and grow our economy. Congress has previously provided tax credits and other incentives to promote the production and use of clean coal technology, wind, solar, geothermal, ethanol, and other biofuels. In addition, Congress has also worked to promote energy efficient businesses and homes. The increased use of cleaner burning fuels and improved efficiency will help energy users reduce their greenhouse gas emissions.

There are many provisions within this bill that reduce our dependence on fossil fuels and promote energy efficiency. There are other areas of this legislation that need more work, such as classifying iron ore as a covered energy intensive industry, creating a larger role

for nuclear power, and addressing Michigan's current environmental requirements for coal-fired power plants. My priority is to create a system that doesn't put Michigan's industries, such as iron ore mining, steel, concrete and paper production, at a competitive disadvantage to their foreign counterparts and ensure consumers are protected from unreasonable energy price increases. I will continue to work to address these problems as this bill moves to the House floor.

The current bill will serve as a starting point for what is expected to be a thorough legislative process. Because this is a global problem, I believe that Congress and the Administration must engage the international community to promote greenhouse gas reduction in the United States and abroad.

Thank you again for sharing your concerns. Please feel free to contact me again with issues that concern you in the future.

Sincerely,

BART STUPAK
Member of Congress