

**Natural Resources Defense Council * Sierra Club * League of Conservation Voters
Earthjustice * Environment America * World Wildlife Fund * Greenpeace US
Greenpeace Canada * Public Citizen * Southern Alliance for Clean Energy
Friends Committee on National Legislation* Boreal Songbird Initiative
The Pembina Institute * Council of Canadians * Environmental Defence Canada
Corporate Ethics International * Toxics Watch Society of Alberta * ForestEthics
Oil Change International * Rainforest Action Network * Earthworks
Global Community Monitor * Polaris Institute * Sierra Club of Canada
Western Organization of Research Councils * Friends of the Earth
Indigenous Environmental Network**

May 7, 2008

Dear Senator,

On behalf of our millions of members and activists, we urge you to oppose amendments to the 2008 National Defense Authorization Bill that would repeal section 526 of the Energy Security and Independence Act of 2007. We also urge you to oppose the authorization of long-term contracting authority for unconventional fuels to the Department of Defense (DoD).

Section 526 was included in the 2007 energy bill to address concerns about spending taxpayer dollars to develop alternative fuel sources that make global warming worse. This provision bars federal agencies from entering into contracts to procure alternative (including unconventional or synthetic) transportation fuels with greater lifecycle greenhouse gas emissions than conventional fuel. While section 526 provides an important backstop to prevent the government from using taxpayer dollars to exacerbate global warming, it does not address the desperate need to start significantly reducing global warming emissions. Incentives like long-term contracting authority should be reserved for those technologies that will decrease global warming emissions. Even after huge capital investments in carbon capture and storage, coal-to-liquid (CTL) and other dirty fuels facilities may still only manage to reduce their lifecycle emissions to be equal to those of conventional gasoline. By authorizing 10-year contracts with such facilities, Congress is encouraging technologies that at best continue to increase transportation pollution at current rates thus exacerbating the problem of global warming.

Section 526 protects our nation's national security interests. High-ranking military officials have already warned Congress that global warming is a serious national security threat. Any steps taken by the federal government to address our dependence on oil must not exacerbate the very real national security risks posed by global warming. In this regard, section 526 serves an important national security purpose. Production of unconventional fuels, such as CTL, tar sands and oil shale emit more than twice the global warming pollution per barrel as conventional oil at a time when we must be reducing our CO₂ emissions.

Section 526 does not prohibit production or importation of alternative or unconventional fuels – it simply keeps the U.S. government from using taxpayer dollars to support development of fuels such as CTL, tar sands and oil shale as long as their lifecycle

process continues to have higher global warming pollution emissions than conventional fuels. Furthermore, federal government procurement of fuel for military purposes will not be significantly affected by this provision. The Oversight and Government Reform committee also clarified that with respect to tar sands section 526 does not bar federal agencies from purchasing generally available fuels that may contain incidental amounts of fuel from tar sands. The provision does however block a federal agency from using government contracts specifically to promote or expand the use of fuel from tar sands. A February 2008 Defense Science Board Task Force report on Energy Strategy (“More Fight - Less Fuel”) stated that “domestically produced synthetic fuel does not contribute to DoD’s most critical fuel problem – delivering fuel to deployed forces.” Furthermore, long-term contracts with domestic CTL facilities will, thus, do little to meet DoD’s “most critical fuel problem” as they will not improve DoD’s ability to deliver fuel to deployed forces.

Congress’ serious efforts to address the paramount threat global warming poses to all Americans should not be undermined by allowing DoD and other Federal agencies to purchase CTL, tar sands and oil shale with higher lifecycle carbon emissions than conventional petroleum. The government will make the job of reducing global warming emissions even more difficult if it chooses to subsidize the development of high-carbon fuels through long-term contracts. Furthermore, the considerable economic, social and environmental drawbacks of CTL, tar sands and oil shale preclude them from being sound options for achieving greater energy independence. All three of these unconventional fuels afflict serious harm on the land, the water, the air, and on local communities. We can have a robust and effective energy program that meets the needs of our nation and our common defense by reducing oil dependence without CTL, tar sands, oil shale or other dirty alternative fuels. We encourage Congress to take thoughtful action and choose an energy path that enhances our security, our economy and our environment. Please oppose amendments to the 2008 National Defense Authorization Bill that would repeal section 526 of the Energy Security and Independence Act of 2007 and oppose the authorization of long-term contracting authority for unconventional fuels to the Department of Defense.

Sincerely,

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