



February 2, 2009

RE: HF0086, the low carbon tax bill

To Whom It May Concern:

Our membership in USW local 662 does not support this legislation. This bill will ultimately constrict or totally ban Canadian crude oil from tar sands. This Canadian crude oil is the stuff that gives us our jobs, our competitive advantage in the marketplace and the stuff that gives Minnesotans the ability to use their cars, trucks, buses, jet planes and trains in a manner they so choose. It may be imported, but it is from a source that is stable and friendly and affordable. The refinery could be forced to ship crude oil from overseas from areas like Saudi Arabia or the like. Does that make sense?

The Canadians are not OPEC.

It is not written in the bill in so many words, but the legislation gives broad rulemaking authority to the commissioner of the MPCA. Section 2 subdivision 3 (lines 3.20 to 3.27 suggests that the commissioner would have discretion in defining alternative carbon intensity values, which would be used to assign oil sands crude oil a punitive rating, as they have done in California. California only relies on 1% of their crude oil supply from Canada tar sands; Minnesota is at around 83%, a huge amount of difference.

This is not California.

A number of Minnesota's top environmental organizations have also clearly stated their intent to use this legislation to reduce Minnesota's use of crude oil from Canada. HF86 provides the opportunity to eventually shut the door on oil sands crude, which is something all Minnesotans should be concerned about.

If this legislation is enacted there is no way to estimate the cost in jobs, fuel costs, lost or unusable infrastructure in refining and pipeline facilities, not just Flint Hills, but Marathon too. The cost would certainly be in the billions of dollars. This bill would expose Minnesota to even more price fluctuations due to supply and demand in other parts of the country. It would definitely put all Minnesotans at a disadvantage at the pump and the marketplace.

This is not the right bill.

Our USW Local 662 firmly opposes this bill in any form. This bill cannot be made better.

Thank you for your time.

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