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October 2, 2009

Senator Lamar Alexander
3322 West End Avenue
Nashville, TN 37203

Dear Senator Alexander:

Your recent piece in the Wall Street Journal on energy ‘sprawl’ was wonderful. Your assertion that we are harming the environment in the name of saving it is a powerful insight and I agree with you wholeheartedly. Tennesseans know well the contributions you have made to our state, and appreciate much the more than 30 years of public service you’ve invested in making it, our country and our planet a better place in which to live. It’s in service of this imperative about which I write to you today, hopeful to convey to you the serious consequences associated with the passage of a policy known as the Low-Carbon Fuel Standard (LCFS). I believe this policy can similarly be categorized as a misguided effort to improve the environment.

At its core, a LCFS would initiate a direct ban on the importation of some of our most secure and affordable sources of energy. Oil from Canada’s oil sands, crude from our neighbors in Mexico, feedstocks from Brazil, and energy resources from California, Arkansas, and much of the Intermountain West – all of this energy would be classified as “heavy” under a LCFS, and summarily dismissed because of it. Not only would such a scenario result in higher prices at the pump for Tennesseans, but it would necessarily expand America’s already dangerous dependence on foreign, unstable energy from suppliers half-a-world away, many with interests that do not align with our own.

As a member of the Republican leadership in the U.S. Senate, with a seat on the powerful Environment and Public Works (EPW) Committee, you are uniquely positioned to stand up for the economic and energy-related interests of Tennesseans, and prevent this plan from advancing any further. As you know, a LCFS was included in the original draft of the House climate bill, which passed in June. While the LCFS language was ultimately removed from the bill, reports suggesting its untimely return this fall are expanding in both volume and detail. Many, unfortunately, even cite you as a contributor to this effort – having been quoted the past several

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months as saying a LCFS “makes a lot of sense for our country” and would “not deliberately raise the price of gasoline.”

Whether deliberate or not, what’s clear is that a LCFS would reduce the availability of fuel by limiting the amount and type of oil we’re able to access from some of our closest, most trusted allies in the hemisphere. Start with less supply, and couple that with growing – or even static – demand, and what you end up with is more expensive fuel. And that’s precisely the point of a LCFS – not to make the fuel we rely on today any better, cleaner or more efficient, but to make that fuel more expensive and less available. Do that, and low-carbon energy of the future is given a leg-up, even in the meantime if it results in millions of lost jobs, prohibitively high fuel costs, and an unprecedented expansion of our foreign energy dependence. But at least a LCFS would help reduce the emission of carbon dioxide in the air, right? Even that no longer appears to be true. A study published recently by the respected American Economic Journal found that a LCFS “cannot be efficient” in its implementation, and may have the effect of “increasing net carbon emissions.” We can thank our friends from China for that, since under a LCFS they’ll stand to produce, transport and consume a much larger share of Canada’s energy – energy that a LCFS will prevent American consumers from accessing.

Once again, Senator Alexander, allow me to express my genuine appreciation for your extraordinary and decades-long work on the behalf of Tennessee, and the nation at large. It’s my hope that this letter helps frame some of the key considerations involving a LCFS policy moving forward. I applaud your interest in trying to find a workable alternative to cap-and-trade, which I believe, like you, would have a disastrous effect on the economic health and well being of our state. But, for the reasons outlined above and many, many more, a LCFS is not, and can never be, a safe alternative to that plan. Thank you for listening to my concerns. I have included my contact information below should you have an interest in contacting me directly.

Most sincerely,

A handwritten signature in cursive script that reads "Susan Lynn".

Susan Lynn
State Representative
57th District