



May 4, 2011

The Honorable Rodney Alexander
United States House of Representatives
Washington, D.C. 20515

Dear Representative Alexander:

As an industry that relies on natural gas to be globally competitive and create jobs, we strongly urge you to reconsider your support for the NAT GAS Act (H.R. 1380), which subsidizes natural gas vehicles and infrastructure at taxpayers' expense. This bill will contribute to market distortions and higher production costs for the domestic chemical industry and other U.S. manufacturers while creating a new, multi-billion dollar tax subsidy. At a time when Congress is being challenged to get our fiscal house in order, such legislation is highly inappropriate.

Natural gas has many economic and environmental advantages that should lead to market success without generous federal preferences. For example, many companies with large transportation fleets are using natural gas without receiving any tax subsidies because it is the most cost-effective option. American manufacturers, power generators and homeowners are also choosing natural gas.

America's chemistry industry directly employs nearly 800,000 Americans and supports 5.1 million jobs in the U.S. economy. We rely on natural gas to deliver products that make people's lives better, healthier, safer and more energy-efficient. We recognize growing demand for natural gas in transportation and electricity generation, and do not oppose these uses. We do oppose subsidies that would artificially increase natural gas demand, distort markets and suppress the emergence of other energy technologies. Supporting the NAT GAS Act means favoring one sector over others, adding to the federal deficit, and making it more difficult for U.S. manufacturers to compete and create and maintain jobs.



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We should strive to enhance energy security, develop cost-effective alternative fuels and continue to improve energy efficiency. As part of a comprehensive energy strategy, Congress should increase access to domestic oil and gas resources. This step would help boost reliable supplies for consumers and businesses, and create and maintain jobs, investment and significant new revenue streams for federal and state governments.

We urge you to reconsider your support for tax preferences that subsidize a well-established fuel in a well-functioning market.

Sincerely,

A handwritten signature in black ink that reads "Cal Dooley". The signature is written in a cursive, slightly slanted style.

Cal Dooley
President and CEO

cc: all co-sponsors of H.R.1380

