May 16, 2011

The Honorable Todd Young  
United States House of Representatives  
Washington, D.C.  20515

Dear Representative Young:

As an industry that relies on natural gas to be globally competitive and create jobs, we strongly urge you to oppose the New Alternative Transportation to Give American Solutions Act of 2011, (NAT GAS Act or 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 country’s 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 currently 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 power our manufacturing plants and create products that make people’s lives healthier, safer, and more sustainable. 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 harming the international competitiveness of U.S. manufacturers, which will reduce their ability to create and maintain jobs.
We should strive to enhance energy security; promote energy diversity, including the development of renewables and alternative energy sources and technologies; improve energy efficiency; and increase access to domestic oil and gas resources, onshore and offshore. These steps can help boost reliable energy supplies for consumers and businesses, create and maintain U.S. jobs and investment, and generate significant new revenue streams for federal and state governments.

We urge you to vigorously oppose H.R. 1380, a bill that provides billions in wasteful tax preferences to subsidize a well-established fuel in a well-functioning market.

Sincerely,

Cal Dooley
President and CEO

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