



November 5th, 2021

Senator Joe Manchin
Chairman

Senator John Barrasso
Ranking Member

U.S. Senate Committee on Energy and Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

Dear Chairman Manchin and Ranking Member Barrasso,

We are grateful for your collective leadership in recent months to bring balance to the policy debate on energy policy.

As the backbone of the American oil and natural gas industry, our respective organizations are writing to express our grave concerns with virtually every one of the provisions included in the House Committee on Natural Resources title of the Build Back Better Act. We request that the Senate strike the House language from the bill and wait for the Biden Administration's leasing moratorium report to be released before undertaking any revision to the current federal oil and gas onshore and offshore programs.

The House language is unworkable in many ways. It is bad policy and has generated a long list of concerns which we are happy to discuss in detail with you. In short, if implemented it will:

1. Drive all but a few large industry players off federal lands and waters as it renders federal leases completely uncompetitive compared to adjacent private or state lands
2. Decrease funding significantly for conservation of federal lands, which are financed exclusively by federal oil, natural gas, and coal
3. Reduce competition as well as innovation in both the onshore and offshore industry
4. Widen the income gap between urban and rural communities
5. Fail in its overly optimistic revenue projections, adding billions to the deficit.

We are puzzled as to how taking legislative action that deliberately devalues federal energy resources and wipes tens of billions of dollars in value off the federal balance sheet can in any way be considered good policy. We are especially concerned that these changes would occur without due consideration by members of the Senate Energy and Natural Resources Committee, which has jurisdiction over federal lands and energy policies and frequently considers legislative changes to these policies through the normal hearing and bill drafting process.

We are also concerned about the provisions of the Act that will send billions of dollars to climate change activists who seek to deprive Americans of all fossil fuels. While we share concern for climate change and do our part to constantly reduce greenhouse gas emissions, the alarmism propagated by radical activists is not grounded in science or good public policy. Depriving Americans of fossil fuels would have catastrophic impacts in both the immediate and long-term.

Besides \$8 billion for the Civilian Climate Corps, a make-work program that includes hiring climate activists, there is \$10 billion for ill-defined environmental justice education in universities that will undoubtedly be used to spread misinformation about the very energy that meets 80% of American needs, and hundreds of millions more in other grants that could fund the very groups that are advocating for the elimination of fossil fuels. The resultant fueling of radical activism would ensure the conversation on balancing environmental and energy needs becomes further distorted and unhinged from reality.

We will remain staunch defenders of our talented workforce, and have grave concerns with the impacts that this bill will have on our ability to keep them employed. We love the communities we work in and around and worry about the potential impacts on schools, public safety organizations, and small businesses. Most of all, we are proud that we can provide affordable and abundant energy to low- and moderate-income communities across the country. We object to a bill that would deliberately force millions of low- and moderate-income people into energy poverty.

We strongly object to the House language and recommend the Senate pause until the Administration releases its findings in the leasing moratorium report. Should that report be lacking in substance, then the Senate can utilize normal legislative order to determine what concrete steps should be taken to improve the federal onshore and offshore programs and fix any errors or deficiencies that might exist.

We request that rather than simply approving the House's energy package without proper consideration, the Committee take its time to develop comprehensive legislation using a deliberative process where input can be sought in a proactive way. Doing so will allow you to receive feedback from the federal agencies, states, local communities, industry partners, and other stakeholders that will be impacted by these major policy changes.

We want to be part of this process and will happily work with you to update current statutes through normal order. We hope you will agree.

Sincerely,



Kathleen M. Sgamma
President
Western Energy Alliance



Tim Tarpley
SVP Government Affairs & Counsel
Energy Workforce & Technology Council



Tim Stewart
President
USOGA



Dan Naatz
Executive VP
IPAA



Jason McFarland
President
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Kevin Bruce
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