United States Senate
U.S. Capitol
Washington, DC 20002

March 17, 2008

Dear Senator:

We the undersigned write to urge you to reject legislation that imposes regulations on American energy usage through a so-called "cap-and-trade" provision in a vain attempt to change global average temperatures.

Not only is the underlying assumption of such legislation – that we are experiencing catastrophic, anthropogenic global warming -- highly questionable, but even under the assumptions of most such theories, the current offering of cap-and-trade measures would produce imperceptible climate change while doing grave harm to our economy, the poor, and U.S. competitiveness.

As you know, the U.S. Senate is considering the Lieberman-Warner America's Climate Security Act of 2007(S. 2191) which will require a reduction in carbon dioxide (CO2) emissions in the United States. If such a bill passes and is implemented, residential electricity prices are projected to increase by 28 percent by 2015, 40 percent by 2020 and 58 percent by 2050.

The American Council for Capital Formation (ACCF) has released a preliminary study* on the economic costs of the Lieberman-Warner bill by Charles River Associates International (CRAI). The study estimates that the price of carbon permits will reach as much as $74 per metric ton of CO2 by 2020 and could increase to $88 by 2030.

The study found that:

- **Higher energy costs would reduce jobs.** The United States would lose 3.7 million jobs in 2020 and 13.1 million jobs by 2050.
- **Household costs rise dramatically.** Costs per household rise as emission caps become more difficult to meet. The average household would see increased costs of $1,760 per year in 2020, rising to $3,476 by 2050.
- **Energy prices rise** as the cost of carbon emissions directly impacts the prices paid by consumers for energy. U.S. consumers will pay 49% more for natural gas and 30% more for retail gasoline by 2020. The wholesale price of electricity rises by 94% relative to the baseline in 2020. Families and businesses will pay more.
- **Economic growth would slow.** The loss in the gross national product (GNP) causes the U.S. economy to grow more slowly over time, falling to 2.6% below the baseline forecast in 2020. GSP will remain well below baseline levels after 2020 unless new, affordable GHG-control technologies become available over time.

- **Most industries suffer losses in production.** The output of goods and services declines in almost all U.S. industries. The largest sector, services, falls almost 1% by 2020 relative to the baseline. The greatest impacts are on the electricity and oil sectors, which decline 17% and 21% respectively by 2020. There is a small gain in the gas industry by 2020 that is significantly reduced by 2030. The U.S. agriculture sector's output falls 3% by 2020.

Even though the U.S. population continues to grow and our energy needs continue to increase, Lieberman-Warner would require reducing emissions by 15 percent below 2005 levels by the year 2020.

The truth is, even if America could reduce its CO2 emissions to the levels demanded by the Lieberman-Warner bill and every European nation reduced their emissions to the levels required under the Kyoto agreement, it would have little discernable impact on global temperatures. That is due largely to the fact that almost all emissions growth over the 21st century is projected to occur in India, China, and other energy-poor developing countries. Furthermore, satellite measurements indicate that Earth's atmosphere is warming at a modest rate—roughly 0.14 degrees centigrade per decade. It is not clear that such warming poses a threat to human beings, and may be beneficial.

Even without the science-based skepticism about human-induced global climate change, there is little to suggest that the Lieberman-Warner bill will do anything except weaken our economy. According to a report from the European Environmental Agency, **European nations that committed to reducing emissions have accumulated significant costs without reducing emissions.** In fact, nearly every one of them has higher emissions today than in 1997.

We are also concerned that such legislation will lead to higher food prices, hurting the poor. According to Purdue University's Department of Agricultural Economics: "Based on expected 2007 farm level crop prices, that additional food cost is estimated to be $22 billion for U.S. consumers compared to farm prices for the crops produced in 2005. A rough estimate is that about $15 billion of this increase is related to the recent surge in demand to use crops for fuel." This burden of higher food prices will be borne by the poor and needy, not only in the U.S., but in the developing world.

Finally, a strong note of caution has been sounded by the recent climate data. All four major global temperature monitoring organizations (Hadley, NASA, UAH, and RSS) have released data documenting that over the past year, global temperatures have dropped precipitously. The total amount of cooling ranges from 0.65C to 0.75C. This is the single fastest temperature change ever recorded -- either up or down – for all four organizations.

We urge you to reject the alarmist claims of proponents of catastrophic, anthropogenic global warming, and to reject the draconian taxes and regulations on the American people found in bills such as Lieberman-Warner.

* *The costs detailed in the study are preliminary and the study's model will be run against updated baseline numbers soon, with additional states added at that time. The preliminary study results can be viewed at:*
http://www.accf.org/publications/reports/lieberman-warner.html

Signed,

Grover Norquist, Americans for Tax Reform
Paul Weyrich, Coalitions for America
Richard Land, Ethics and Religious Liberty Commission, Southern Baptist Convention
Tony Perkins, President, Family Research Council
Gary Bauer, President, American Values
Rev. Louis P. Sheldon, Chairman, Traditional Values Coalition
George Landrith, Frontiers of Freedom Institute
Gary Palmer, Alabama Policy Institute
Tim Phillips, Americans for Prosperity
Sadie Fields, Chairman, Georgia Christian Alliance
Anthony Verdugo, Founder and Executive Director, Christian Family Coalition
Harry Valentine, Capitol Hill Prayer Alert
Jeff Mazzella, President, Center for Individual Freedom
Gary Jarmin, President, American Service Council
Kelsey Zahourek, Property Rights Alliance
Thomas H Schatz, President, Council for Citizens Against Government Waste
Ken Blackwell, Coalition for a Conservative Majority
Jim Martin, 60-Plus
Amy Ridenour, Americans for the Preservation of Liberty
Kevin Kearns, U.S. Business and Industry Council
Chuck Muth, Citizen Outreach Project
Don Irvine, Accuracy In Media
Colin Hanna, President, Let Freedom Ring
Ron Pearson, Council for America
John Kuapisz, American Council for Immigration Reform
Demos Chrissos, National Voters Alliance
Richard Faulknor, Blue Ridge Forum
Larry Gill, President, First Person, Inc.
Dee Hodges, Maryland Taxpayers Association
Joyce E. Thomann, President, Republican Women of Anne Arundel County-MD
Kerri Houston, Interim President, Institute for Liberty
Jack Rohrer, Free America
Drew Thorney, Texas Public Policy Foundation
L. Arnold, Alaska Defenders League
Rep. Lawrence Miller, Connecticut General Assembly
James Poesl, Senior Environmental Policy Analyst, Decisive Action
Tim Nytra, Environmental Manger, Allied Waste Industries, Inc.
Ron Richard, Associate Dean, University of Mississippi
Dr. Howard Maecabee, Director, Doctors for Disaster Prepardness
Paula Easley, RDC, Inc.
Dr. Vincent Gray, NZ Climate Coalition

Peter K. Seldin, Managing Partner, Centennial Energy Partners, LLC
Robert Ferguson, Science & Public Policy Institute
Dr. Brian Haynes, AISA Academy
J. Scott Armstrong, Professor, Wharton School, University of Pennsylvania
Tom Mullins, Engineering Manager, Synergy Operating LLC
Paul Spite, President, AFD Consulting
Brian Lovelle, Attorney, North Carolina
Craig Rucker, Executive Director, Committee for a Constructive Tomorrow
Meredith McCain, Committee for a Constructive Tomorrow
Barry Schwartz, NOAA Research, Ret.
Joseph D'Aleo, Executive Director, Icecap.us
Rep. Ralph Watts, Iowa General Assembly
Paul Sanders, Engineer, Ret.
M.R. Fox, Scientist, American Nuclear Society
Viv Forbes, Chairman, Carbon Sense Coalition
Harold Shurtleff, The New American
James Huffman, Professor, Lewis & Clark Law School
Bryan Wermat, Scientist, Jet Propulsion Laboratory
Linda C Ruebeck, State Senator(Ret.), Minnesota
Dr. Jerome Corsi, WorldNet Daily
Barbara Anderson, President, MFI
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Sen. David Hann, Minnesota State Senate
Sen. Chris Gerlach, Minnesota State Senate
Baran Mitre, Liberty Institute
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Rep. John Stahl, Michigan House
Roy Cordato, VP for Research/Economist, The John Locke Foundation
Roy Innis, National Chairman, Congress of Racial Equality
Ron Arnold, Executive Vice President, Center for the Defense of Free Enterprise
Barrett Duke, Co-Chair, Cornwall Stewardship Agenda
Stuart Barton, American Seniors Association

*Organizations are listed for identification purposes only