



Jay Timmons
Executive Vice President

June 25, 2009

U.S. House of Representatives
Washington, DC 20515

Dear Representatives:

The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing manufacturers in every industrial sector and in all 50 states, urges you to oppose H.R. 2454, the American Clean Energy & Security Act.

The NAM understands the importance of environmental stewardship and we commend House leaders and members of the Energy and Commerce Committee for their efforts to address this complex issue. The NAM supports provisions of the bill that would: expand research and development for clean energy technologies; fund the deployment of carbon capture and sequestration projects; support greater utilization of energy efficiency across the economy; and provide worker training for clean energy industries.

Our member companies are committed to pursuing reductions in greenhouse gas (GHG) emissions, provided that any commitments made by the United States are mirrored by comparable commitments by our trading partners, are based on sound science and cost-effectiveness, and are applied equally throughout the economy. Additionally, in order to ensure a competitive manufacturing industry, a diverse, reliable, affordable and abundant energy mix is essential.

While we support a number of the provisions of the legislation, after careful review, our concerns remain fundamentally unchanged from the initial draft. H.R. 2454 will regulate and add cost to every one of our members, which already bear the burden of local, state and federal compliance cost through the Clean Air Act. Moreover, it allows Congress to select winners and losers through the distribution of allocations to industries.

Overall, the NAM official principles support the development and deployment of competitive clean energy technologies and robust energy efficiency improvements; however, our members do not support mandates on the use of specific, economically uncompetitive technologies. The NAM supports policies that recognize the robust voluntary actions of industry to reduce energy intensity and improve efficiency to promote emissions reductions throughout the economy. Additionally, the NAM is concerned that the legislation does not provide for fully verifiable and quantifiable international emission offsets.

The NAM opposes H.R. 2454's nationwide cap-and-trade program because it violates the following policy principles established by our member companies:

Manufacturing Makes America Strong

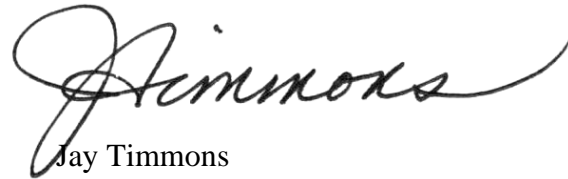
- Does not pre-empt conflicting state and local climate change laws and/or regulations;
- Omits reliable “safety valve” provisions that are key to ensuring cost containment;
- Is limited in scope and does not include all sectors of the economy;
- Unnecessarily increases demand on natural gas, which is a vital feedstock to many manufacturers;
- Does not adequately promote global participation; and
- Creates a multitude of conflicting and duplicative regulations for manufacturers.

Manufacturers are committed to working with Congress to establish sensible and responsible federal climate change policies that reduce GHG emissions, but these policies must maintain a competitive playing field for American companies. H.R. 2454 fails this test, and as such we oppose its passage.

The NAM’s Key Vote Advisory Committee has indicated that votes on H.R. 2454, including votes on related amendments or procedural motions, may be considered for designation as Key Manufacturing Votes in the 111th Congress.

Thank you for your consideration.

Sincerely,



Jay Timmons