



Consumer Federation of America



June 10, 2004

## OPPOSE THE ENERGY POLICY ACT

Dear Representative:

On behalf of consumers who are feeling the pinch at the gasoline pump, we urge you to oppose HR 4503, the Energy Policy Act of 2004. This bill is virtually identical to the HR 6 conference report, which is an anti-consumer bill that was blocked by the Senate last November. Not only would this bill do nothing to protect consumers from high gasoline prices, it would actually increase prices at the pump. Further, at a time when the oil industry is enjoying billions in profits, this bill hands the industry another \$24 billion in tax breaks and subsidies. **We urge you to reconsider your earlier support for this bill in light of a recently-released Energy Information Administration analysis that shows that this bill would actually increase prices at the pump, especially in areas like your district that use reformulated gasoline.**

According to the Energy Information Administration analysis of the HR 6 conference report, "[T]he CEB [Comprehensive Energy Bill] Case projects an increase of 3.0 cents per gallon in the average gasoline price and 8.1 cents per gallon in the average RFG [Reformulated Gasoline] price, relative to the Reference Case.<sup>1</sup>" The last thing consumers need is legislation that increases gasoline prices while doing nothing to address the root causes of the problem – oil industry consolidation and over-reliance on oil. The best way for Congress to protect consumers against future gasoline prices spikes is to prevent anti-competitive practices in the oil industry and pass strong auto fuel economy standards to reduce demand for oil.

Congress should oppose the increased gasoline prices and oil industry subsidies in HR 4503, and go back to the drawing board to develop a pro-consumer energy future. **Please oppose HR 4503, which would increase gasoline prices by an average of 8.1 cents a gallon in your district.**

Sincerely,

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<sup>1</sup> Energy Information Administration, *Summary Impacts of Modeled Provisions of the 2003 Conference Energy Bill* (Feb. 2004) (online at [http://www.eia.doe.gov/oiaf/servicert/pceb/pdf/sroiaf\(2004\)02.pdf](http://www.eia.doe.gov/oiaf/servicert/pceb/pdf/sroiaf(2004)02.pdf)).