



The American Jewish Committee

Office of Government and International Affairs

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June 24, 2005

Dear Senator:

The American Jewish Committee (AJC), a national human-relations organization with over 150,000 members and supporters represented by 33 regional chapters, is a long-time advocate of the need to reduce America's dependence on foreign energy sources. We join with President Bush and Senators from both sides of the aisle in the firm belief that a comprehensive and balanced energy program, aimed at substantially reducing U.S. dependence on imported oil, is essential to our national security, the economic and social well-being of our country, and our continued role as a global leader. In our view, the crisis is one of dependence, not of price.

We write today to express our strong belief that Congress must move forward with comprehensive energy legislation. We applaud the important work that is currently being done in the Senate to move towards the goal of reducing energy dependence. The Energy Policy Act of 2005 (H.R.6) begins this process by laying out a multi-faceted plan to reduce our dependence on foreign energy sources, but we remain concerned that it falls short in several respects, most notably in the areas of alternative fuel sources and mandatory measures to enhance efficiency.

Thus, more should be done to encourage research and development of new technologies and alternatives to gasoline and diesel, and to promote the U.S. leadership role within the international community in aiding other nations in their quest to reduce demand for oil. In addition, as part of a comprehensive energy plan that includes the forgoing components, we support increasing domestic production, with appropriate attention to environmental protection issues, and the harnessing of technology to allow us to deliver energy more efficiently.

We are encouraged by recent technological advances that make plug-in hybrid cars a feasible, energy saving option for energy-conscious drivers. By supporting this technology and making it widely available in the market, drivers would be able to drive the first 20 miles per day without using any gasoline, and average up to 100 miles per gallon after that, with the only additional cost being that of off-peak electricity. Just as tax-credits for hybrid-owners provide incentives to drivers to purchase hybrids, we would support similar incentives to automakers to manufacture plug-in hybrids. Another potential option that could yield similar benefits is a flexible-fuel car that is able to burn ethanol and other alcohol fuels, as well as gasoline. Thus, we would also support incentives to automakers to add flexible fuel capability to new cars and incentives to fuel stations to install pumps that can supply alcohol fuels. These and other

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similar alternatives show enormous promise and warrant further research and government support.

While the Senate bill begins to address conservation and efficiency issues, the provisions included are only the beginning of what is necessary. We are extremely supportive of President Bush's proposed \$4,000 tax credit for purchasers of hybrid vehicles; indeed we would be willing to support a substantially larger credit based on further analysis. Furthermore, Congress should not abandon efforts to enact mandatory measures to enhance efficiency, such as strengthened and more consistent Corporate Average Fuel Economy (CAFE) standards, or other similar types of programs. These measures are sensible and necessary to reduce our nation's dependence on foreign energy sources.

The array of possibilities, including those we have cited and other options such as expanding and updating technology in domestic oil refineries, will provide a base for further research and development to move America towards energy independence in an environmentally conscious manner.

As you are aware, the September 11 terrorist attacks against the United States and our ongoing war on terror underscore the extent to which our national security and position as the leader of the free world are seriously undermined by America's energy dependence on unstable or hostile foreign nations. Accordingly, we believe that it is imperative that Congress move this year to enact multi-faceted and comprehensive energy legislation that will have a long term positive impact. It is important that Congress is moving on this issue. However, while we are optimistic about technological advances that may improve efficiency, essential components of a comprehensive energy program targeted at reducing foreign oil dependence are still lacking. We urge you to incorporate these measures as you move forward with the pending legislation.

Thank you for your consideration of our views on this most pressing matter.

Respectfully,

Henry Dubinsky
Chair
National Energy Committee

Richard T. Foltin
Legislative Director and Counsel