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April 10, 2003

Oppose H.R. 6

The energy bill, as reported, repeals important electricity regulations and does virtually nothing to minimize oil consumption while offering billions in handouts and tax breaks for some of the wealthiest and polluting companies in the world – even as budget deficits are growing. **Public Citizen urges you to oppose this anti-consumer, anti-environment legislation.**

ELECTRICITY TITLE REWARDS A FRAUDULENT INDUSTRY

Title VII replaces vital consumer protections with unregulated corporate control over energy markets, potentially leading to the kind of price-gouging that plagued California consumers after deregulation. The title repeals the Public Utility Holding Company Act, an important consumer protection, replacing it with meaningless after-the-fact access to books and records. It also allows for the pre-emption of local control over power lines by giving **unelected** federal officials the power to override state decisions and seize private property to build power lines.

NUCLEAR PROVISIONS EXPAND UNJUSTIFIABLE SUBSIDIES

Title VI mandates bloated spending on nuclear energy research and development, and commits taxpayer dollars to the construction of new nuclear power plants through the Nuclear Power 2010 program. These unfair subsidies to a mature industry distort electricity markets by granting nuclear power a competitive advantage over safe, clean energy alternatives. Title VI also authorizes spending \$399 million over the next four years on the Advanced Fuel Cycle Initiative to promote nuclear waste reprocessing. These expensive technologies pose health, safety and proliferation risks. With global security concerns already heightened, there could not be a worse time to reverse our decades-old ban on reprocessing.

Title IV extends Price-Anderson liability protections to proposed new nuclear plants. The Price-Anderson scheme – originally intended to be temporary – reduces insurance costs for the nuclear industry but leaves nuclear operators unaccountable and the public inadequately compensated in the event of a severe accident or attack. If proposed new reactors are as safe as the industry claims, operators should be able to finance their own insurance without this government crutch.

GIVE-AWAYS TO BIG OIL WON'T LEAD TO ENERGY INDEPENDENCE

The House energy bill provides billions of dollars in production incentives to the domestic oil and natural gas industry. The United States is already the 3rd largest crude oil producing nation in the world - the problem is not that we don't produce enough, it's that we consume too much, and bill does nothing to reduce demand. Meanwhile, the executives at the oil companies are

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slated to receive these billions in tax breaks are enjoying Enron-like bonuses. For example, the top 4 executives at ConocoPhillips received pay packages of \$178.8 million last year alone.

SUPPORT DINGELL AMENDMENT TO PROTECT ELECTRICITY CONSUMERS

The energy market crisis has greatly damaged our economy. Shady business practices by companies like Enron and Dynegy have cost ratepayers and investors billions. Manipulation of the west coast energy market wreaked havoc on the region, affecting business owners and consumers alike. Congressman Dingell's amendment strengthens FERC's anti-fraud authority for both electricity and natural gas markets. It provides for greater transparency by requiring the reporting of transactions involving the sales or transmission of electricity or natural gas. It would increase penalties for civil and criminal offenses to levels in the Sarbanes-Oxley Act of 2002. Finally, it would direct the SEC to review PUHCA exemptions such as those authorized for power marketers like Enron.

SUPPORT BOEHLERT/MARKEY AMENDMENT TO REDUCE OIL CONSUMPTION

Our excessive dependence on oil continues to effect the health and pocket books of our nation. The transportation sector is responsible for a majority of the harmful pollutants in the air. Consumers could save money at the pump if Congress enacts meaningful legislation to improve the fuel efficiency of passenger vehicle. The Boehlert / Markey Amendment would require the Department of Transportation to create rules to ensure the total amount of oil consumed by cars and light trucks in 2010 will be 5% less than that consumed if the average fuel economy standards were to remain at 2004 levels.

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