

July 26, 2017

The Honorable James Lankford
316 Hart Senate Office Building
United States Senate
Washington, DC 20510

The Honorable Evan Jenkins
1609 Longworth House Office Building
United States House of Representatives
Washington, DC 20515

Dear Senator Lankford and Representative Jenkins:

We, the undersigned organizations, wish to express our full support for the Transparency and Honesty in Energy Regulations Act (THERA) of 2017. This important bill builds upon the Trump administration's Executive Order 13783, which implemented critical reforms to the use of social cost of greenhouse gases in rulemaking. This bill provides needed regulatory certainty, ensuring key rulemaking principles are upheld regardless of the administration in power, which will help grow the economy, create jobs and strengthen our energy independence.

This legislation will prevent the Departments of Energy and Interior, the Environmental Protection Agency, and the Council on Environmental Quality from using the social cost of carbon (SCC), the social cost of methane (SCM), and the social cost of nitrous oxide (SCN2O) in cost-benefit analysis, regulatory action, or guidance, unless expressly authorized by federal law. If enacted, this bill will promote government transparency and economic growth without jeopardizing the health and welfare of the American people.

This bill will also ensure that government agencies adhere to long-standing guidance from the Office of Management and Budget (OMB) Circular A-4 of September 2003, which highlights the importance of sound regulatory analysis during any federal rulemaking process. In addition, the legislation, in accordance with the President's executive order, provides narrow circumstances under which the SCC, SCM, and SCN2O estimates might be appropriately considered. Lastly, this bill streamlines the process to promote uniform methods of cost-benefit analysis for all agencies.

We believe that the Transparency and Honesty in Energy Regulations Act 2017 (H.R.3117/S. 1512) takes important steps to rectify the previous Administration's flawed development of SCC, SCM, and SCN2O, and subsequent misuse of such calculations to justify an aggressive anti-energy agenda. Our associations share a strong commitment to responsible environmental stewardship. We represent a diverse range of industries that employ millions of Americans that work to grow our economy, and we commend your collective leadership on this critical issue.

American Chemistry Council
American Farm Bureau Federation
American Fuel & Petrochemical Manufacturers
American Road & Transportation Builders Association (ARTBA)
Glass Packaging Institute (GPI)
GPA Midstream Association
Independent Petroleum Association of America
Indiana Manufacturers Association
Industrial Minerals Association - North America
Institute of Makers of Explosives
Institute of Shortening and Edible Oils
National Association of Chemical Distributors

National Association of Manufacturers
National Lime Association
National Mining Association
National Oilseed Processors Association
National Tooling and Machining Association
North American Die Casting Association
Oregon Women In Timber
Portland Cement Association
Precision Machined Products Association
Precision Metalforming Association
The Fertilizer Institute
Treated Wood Council
U.S. Chamber of Commerce

CC: U.S. House of Representatives
U.S. Senate