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The Honorable Evan Jenkins
502 Cannon House Office Building
United States House of Representatives
Washington, D.C. 20510

Dear Representative Jenkins:

The American Fuel & Petrochemical Manufacturers (AFPM) fully supports H.R. 5668, The Transparency and Honesty in Energy Regulations Act of 2016. This legislation would prevent the Department of Energy and the Environmental Protection Agency from using the social cost of carbon (SCC) and the social cost of methane (SCM) in cost-benefit analysis, regulatory action, or guidance, until expressly authorized by federal law.

The Obama Administration has promoted the use of the SCC as a metric to justify many new and expensive regulatory actions. While touted as a metric to calculate the potential economic damages associated with an incremental increase in the emissions of carbon dioxide (CO₂) in a given year, the SCC has become a misleading, political tool that suffers from a lack of appropriate peer review and fails to adhere to established federal rulemaking guidance in determining its value.

Instead of taking the proper steps to improve the accuracy of the values used to develop the SCC, the Administration continues to adjust the calculations in order to make it easier to justify the costs and inflate the benefits that new regulations would provide. This includes deliberately ignoring specific guidance set forth by the Office of Management and Budget. This same flawed approach to the SCC is now being applied to the social cost of methane. Like the SCC, the SCM was not properly vetted and miscalculates the potential benefits of methane emissions reductions.

Ensuring transparency and sound science in our Executive Branch's rulemaking process is an issue of good governance. The Administration's implementation, methodology and use of the SCC and the SCM has been flawed from the beginning. We appreciate your leadership on this legislation, along with the efforts of Representatives Womack, Culberson, Mullin, and LaHood on this important issue.

Sincerely,

Chet Thompson
President