



AMERICAN COMMITMENT

July 30, 2013

To Members of the 113th Congress:

We write to express our strong support for the Murphy amendment to HR 1582, [The Energy Consumers Relief Act of 2013](#). This amendment furthers the interests of Americans and the purposes of the underlying legislation by ensuring that the Environmental Protection Agency does not use a “social cost of carbon” (SCC) metric to justify any significant regulation until they follow procedures which are public and transparent.

If Congress does not act to rein in the administration’s continued use of the “social cost of carbon” to justify ever-more-expensive energy regulations, Americans may soon find their energy and regulatory costs skyrocketing and consequently, their way of life destroyed.

This amendment is made necessary by the potential for abuse. For example, in May, in a little-noticed rule regulating the energy efficiency of microwaves in standby mode, the Department of Energy mentioned that they were dramatically increasing their earlier estimates of the “social cost of carbon.” They did so without public comment, without public participation, and in violation of Office and Management and Budget guidelines. The effect of this unprecedented move was to make it easier to justify ever-more-costly energy regulations and potentially, to provide a baseline level for a carbon tax. All of this is being done without the consent of Congress or public input.

The Murphy amendment is a common-sense approach to the administration’s actions. Until the administration explains their actions to Congress and the American people in an open and transparent public process, it should not be allowed to insinuate this concept into every action. This is consistent with President Obama’s statement that climate regulations should be developed “in an open and transparent way.”¹

In addition to failing to present the “social cost of carbon” to the American public in an open and transparent way, there are many problems with it. First, Congress has not authorized the Executive Branch to use “social cost of carbon” as a mechanism to justify regulatory costs. In practice, the estimate of the “social costs of carbon” has dramatically increased in just a few years—just as the

administration needed to justify expensive new rules on energy. In 2009, the Department of Energy estimated the domestic impact of the social cost of carbon at \$2 a ton. The 2013 update calculated the “social cost of carbon” at \$12 to \$129 a ton for the year 2020.

Moreover, the administration’s latest “social cost of carbon” only looks at global impacts and fails to provide a calculation of domestic impacts. This is in direct violation of OMB’s explicit guidance. Your constituents may want to know why they should be saddled with all of the costs government officials conjure up in secret meetings when the assumed benefits go to other countries. That is the current situation as implemented by the administration.

Americans may also find it hard to understand how government “experts” can accurately predict both the economy and climate to the year 2300 and why they are being assessed now with costs and burdens to pay for those estimates.

In light of the administration’s misuse of the “social cost of carbon” in the rulemaking process, we the undersigned organizations support the Murphy amendment and urge its passage.

Sincerely,

60 Plus Association

American Commitment

American Energy Alliance

American Tradition Institute

George C. Marshall Institute

Independent Women’s Voice

National Center for Public Policy Research

National Taxpayer’s Union

Positive Growth Alliance

1. President Barack Obama, *Remarks by the President on Climate Change*, June 25, 2013, <http://www.whitehouse.gov/the-press-office/2013/06/25/remarks-president-climate-change>.