United States Senate

WASHINGTON, DC 20510

COMMITTEES: ENERGY AND NATURAL RESOURCES

COMMERCE, SCIENCE, AND TRANSPORTATION

SPECIAL COMMITTEE ON AGING

March 5, 2012

The Honorable Steven Chu Secretary, U.S. Department of Energy 1000 Independence Avenue S.W. Washington, D.C. 20585

Dear Secretary Chu,

I am concerned by your past and recent comments regarding gasoline prices and the Department of Energy's failure to address this threat to our fragile economy. In 2008 you said, "we have to figure out how to boost the price of gasoline to the levels in Europe." At that time, retail gasoline prices in Europe ranged upwards of nine dollars per gallon. During recent testimony before the House Appropriations Committee, you stated that the Administration's overall energy goal is to decrease dependency on oil, not to lower gas prices. I would assert that those two goals are not mutually exclusive.

We must do what is right for American families by securing affordable energy to power our economy. I urge you to reconsider your statements and respectfully request a detailed outline of steps the Department of Energy is taking to protect American consumers and address the negative impact of rising retail gas prices on our economy.

Your statements represent an extreme blow to many sectors of Nevada's economy, especially tourism. At a time when Nevadans are hurting, tourism and the jobs dependent on that industry will be further devastated as gas prices increase. Nevada still has the unfortunate distinction of leading the nation in unemployment and foreclosures. Higher gas prices mean more vacant hotel rooms, empty restaurants, and closed small businesses. In Nevada, we need jobs, not policies that make job creation more difficult.

Additionally, Nevada is roughly 110,000 square miles. Many of my constituents must travel great distances for work as well as basic goods and services. High gas prices disproportionately impact them and millions of other rural Americans. While middle class families across Nevada have already been forced to tighten their belts, the last thing they need is to feel the squeeze of higher gas prices.

Alternative sources of energy must be part of our nation's future, and I support commonsense measures to promote the advances that will supply energy to future generations. While we work to develop and perfect alternative technologies, we need to

secure our economy now by having an energy policy that respects the cause of the problem—supply and demand.

In Nevada, gas prices have more than doubled since 2009. High energy costs permeate into every aspect of life; they increase the price of everything from food to clothing and virtually all goods and services Americans rely on. Simply put, Nevadans and all Americans cannot afford rising energy costs, and they are looking for solutions.

Given the negative impact of high gas prices on the economy and the disproportionate impact they have on Nevada, I believe the Administration should develop concrete steps to lower prices, expand domestic production, and reduce our dependency on foreign oil. This should not be done at the expense of developing innovative energy technologies. Rather, I would assert that the overwhelmingly positive impact increased domestic production would have on our economy in terms of jobs and revenue could actually facilitate the development the technologies of the future.

Expanding domestic energy production, improving our energy infrastructure, and continuing to develop alternative fuel technologies are the right objectives to meet our nation's energy needs. It is my hope that your department will provide desperately needed leadership within the Administration to champion the need for the responsible development of all of our domestic energy resources.

Thank you in advance for your attention to this issue, and I look forward to learning more about how you intend to lower gas prices for American consumers.

Sincerely,

DEAN HELLER

U.S. Senator