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# United States Senate

WASHINGTON, DC 20510-3603

July 17, 2012

The President  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, DC 20500

Dear Mr. President,

There has been a lot of recent attention on U.S. biofuel policy and specifically, your administration's utilization of the Defense Production Act to push through the development of drop-in fuels by the Department of Defense (DoD) at an unreasonably expensive cost to the taxpayer. The U.S. Navy famously spent \$424 per gallon for 20,000 gallons of biofuels, and in December 2011, it purchased 450,000 gallons for \$12 million, equaling about \$26 a gallon. Now, just last week, *Reuters* reported that the Air Force spent \$59 a gallon.

You have vehemently claimed that requiring DoD to spend exorbitant amounts of an already stretched budget on alternative fuels is about national security and Secretary of the Navy Ray Mabus has echoed your words saying "We're not doing this for environmental reasons, we're not doing it because it's a good thing to do We're doing it to remove ... one of the biggest vulnerabilities I see for us as a military and as a nation."

If this policy development is truly about our strategic needs and national security -- and not about the environment or global warming in particular --one common sense solution to driving down the cost of fuel would be to repeal Sec. 526 of the Energy Independence and Security Act of 2007, which currently prohibits the use of fuels with a higher greenhouse gas emissions impact than conventional fuel. Doing so would immediately introduce more competition in the drop-in fuel marketplace, and this would help bring down the cost of DoD's day to day activities. Repealing Section 526 would also enable the United States to take advantage of recently discovered and vast domestic resources of shale oil and gas, coal, and oil sands. We are already importing oil sands from Canada, and we could easily increase these imports from our friend and neighbor -- and reduce imports from less friendly countries -- simply by constructing the Keystone pipeline.

An all of the above strategy on energy development not only requires harvesting our resources from above the ground but below it as well. I urge you to consider pushing a repeal of Sec. 526 so we can legitimately have an all of the above strategy on energy policy that will truly strengthen our military and our national security.

Sincerely,



James M. Inhofe