

March 17, 2025

The Honorable James Lankford United States Senate 731 Hart Senate Office Building Washington DC 20510

The Honorable Frank Lucas U.S. House of Representatives 2405 Rayburn House Office Building Washington DC 20515

The Honorable Kevin Hern U.S. House of Representatives 171 Cannon House Office Building Washington DC 20515

The Honorable Josh Brecheen U.S. House of Representatives 351 Cannon House Office Building Washington DC 20515 The Honorable Markwayne Mullin United States Senate 330 Hart Senate Office Building Washington DC 20510

The Honorable Tom Cole U.S. House of Representatives 2207 Rayburn House Office Building Washington, DC 20515

The Honorable Stephanie Bice U.S. House of Representatives 2402 Rayburn House Office Building Washington, DC 20515

Dear Members of the Oklahoma Congressional Delegation:

In support of U.S. President Donald J. Trump and your efforts to rein in unnecessary federal spending, balance the budget, and protect federal taxpayers across the state and nation, the following members of the 60th Oklahoma Legislature join The Petroleum Alliance of Oklahoma and its 1,700 individual and corporate members across the upstream, midstream and downstream sectors in urging Congress to end the various renewable energy tax credits designed to prop up uneconomic power generation schemes under the guise of climate protection.

These include the clean electricity production tax credit, clean electricity investment tax credit and related provisions under the advanced manufacturing production tax credit serving the wind and solar power generation and battery storage industries that will continue to be gamed to undermine Oklahoma's budget, increase electricity costs, and make the grid less reliable.

Expenditures under the production tax credit and investment tax credit are among the most expensive, unbounded, difficult to score, and never-ending provisions of 2022's misnamed Inflation Reduction Act, which you rightfully opposed. Cost estimates are all over the map for these provisions with a range of between \$70 billion and \$180 billion per year in pursuit of the Inflation Reduction Act's target of reducing U.S. greenhouse gas emissions by 75 percent from 2022 levels. Estimates of the 10-year costs of the Inflation Reduction Act's energy-related provisions range from the updated CBO-JCT score of \$383 billion to Goldman Sachs' \$1.2 trillion.



These subsidies distort energy markets, disproportionately burden American taxpayers, and continue to undermine natural gas for power generation, which pays a statewide gross production tax to boost Oklahoma's general revenue fund.

President Trump has made clear his commitment to unleash American energy. A key step in achieving this free-market goal is ending the propping up of intermittent renewables for power generation at the expense of reliable baseload power from natural gas. While the oil and natural gas industry operates in a highly competitive and capital-intensive environment, wind and solar continue to receive federal handouts that mask their true costs and place undue strain on our electric grid.

The production tax credit and investment tax credit were designed to be temporary incentives to help emerging energy technologies stand on their own. However, decades later, it is clear they have become taxpayer crutches in support of a renewables industry that is unlikely ever to stand on its own. The continuation of these tax credits is no longer justifiable. Congress must act now to restore fairness in energy markets by eliminating these subsidies so energy sources compete on their own merits.

Oklahoma's oil and gas industry is a cornerstone of our economy, supporting hundreds of thousands of jobs, strengthening national security, and providing affordable and reliable energy to millions of Americans. By eliminating the investment tax credit and production tax credit, Congress can help level the playing field, reduce wasteful spending, and reinforce President Trump's vision of U.S. energy independence.

We urge you to end these unfair tax credits and restore true market competition in the energy sector. The future of our nation's energy security depends on it.

Sincerely,

Chad McDougall

Chairman

Brook A. Simmons

President

CC: U.S. President Donald J. Trump

U.S. House Speaker Mike Johnson

U.S. Senate Majority Leader John Thune



Members of the Oklahoma Senate

Lonnie Paxton

President Pro Tempore

Tom Woods

Vice Chair, Energy Committee

David Bullard

District 6

Randy Grellner

District 21

Warren Hamilton

District 7

Brent Howard

District 38

Paul Rosino

District 45

Brenda Stanley

District 42

Darrell Weaver

District 24

Julie Daniels

Majority Floor Leader

Jerry Alvord

District 14

George Burns

District 5

Brian Guthrie

District 25

John Haste

District 36

Julie McIntosh

District 3

Kendal Sacchieri

District 43

Jack Stewart

District 18

Grant Green

Chair, Energy Committee

Michael Bergstrom

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Avery Frix

District 9

Chuck Hall

District 20

Kelly Hines

District 47

Dana Prieto

District 34

Ally Seifried

District 2

Kristen Thompson

District 22

Members of the Oklahoma House of Representatives

Kyle Hilbert

Speaker of the House

Brad Boles,

Chair, Energy and Natural Resources Oversight Committee

Stacy Jo Adams District 50

Trey Caldwell

District 63

Anthony Moore

Speaker Pro Tempore

Nick Archer

Chair, Energy Committee

Chris Banning

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Mark Chapman

District 12

Josh West

Majority Floor Leader

Ken Luttrell

Vice Chair, Energy Committee

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District 53

Denise Crosswhite Hader

District 41



Bob Ed Culver

District 4

Ryan Eaves

District 22

Jim Grego

District 17

Toni Hasenbeck

District 65

Molly Jenkins

District 33

Mark Lawson

District 30

Cody Maynard

District 21

Eric Roberts

District 83

Clay Staires

District 66

Danny Sterling

District 27

Tim Turner

District 15

Jonathon Wilk

District 20

Gabe Woolley

District 98

Mike Dobrinski

District 59

Tom Gann

District 8

Rob Hall

District 67

Neil Hays

District 13

John Kane

District 11

Mark Lepak

District 9

Jim Olsen

District 2

Jim Shaw

District 32

Marilyn Stark

District 100

Mark Tedford

District 69

Kevin West

District 54

Danny Williams

District 28

Collin Duel

District 31

Emily Gise

District 90

David Hardin

District 86

Derrick Hildebrant

District 23

Gerrid Kendrix

District 52

Robert Manger

District 101

Kenton Patzkowsky

District 61

David Smith

District 18

Jay Steagall

District 43

Tammy Townley

District 48

Tammy West

District 84

Max Wolfley

District 95