## Congress of the United States

Washington, DC 20510

May 27, 2021

Mr. Stephen Nalley Acting Administrator and Deputy Administrator Energy Information Administration 1000 Independence Avenue, S.W. Washington, D.C. 20585

Dear Acting Administrator Nalley:

We are writing to you to request that the Energy Information Administration (EIA) conduct an analysis of President Joseph Biden's <u>Nationally Determined Contribution</u> (NDC) announced at the Climate Summit 2021.

At that meeting the President set a target of reducing net U.S. greenhouse gas emissions 50 percent from the 2005 level by 2030 with the aim of achieving net zero emissions by 2050. The President's plan is the most ambitious emissions reduction target ever proposed and if implemented, would have large impacts across the economy of the United States.

When Congress and the public are presented with major, transformative policy proposals, it is important that we work to assess and understand their potential implications. EIA has a responsibility to assist policymakers in this effort. Indeed, EIA's own mission statement says it "collects, analyzes, and disseminates independent and impartial energy information to promote sound policymaking, efficient markets, and public understanding of energy and its interaction with the economy and the environment." EIA's substantive independence along with its expertise, capabilities, and reputation make it the appropriate institution to model these announced targets.

Specifically, we are requesting that you use the integrated National Energy Modeling System to model for energy-related carbon dioxide emissions: (1) a 50-52 percent reduction from the 2005 level in economy-wide emissions in 2030; (2) an 80 percent reduction in power sector emissions from the 2005 level by 2030 and a 100 percent reduction by 2035; and (3) a 100 percent reduction in total emissions from the U.S. economy by 2050.

There are many regulatory and legislative policies being considered to meet these emissions goals, as indicated in the NDC submitted to the United Nations Framework Convention on Climate Change. Congress is considering several proposals, most prominently the provisions of H.R. 1512, which aims to reduce emissions economy-wide at a pace and scale matching the Administration's targets.

Given the uncertainty concerning future policies, we request that you build on your existing <u>Annual Energy Outlook 2020</u> and future forecasts and run side cases using increasing carbon fees sufficient to meet these emissions targets. These alternative cases would illustrate the impact of policies that place implicit or explicit fees on carbon emissions. Such an analysis could serve as an important starting point and baseline for further analyses as the Biden Administration and Congress consider various proposals.

We ask that you work with our staff on the details of this request, which concern issues of critical importance to our energy economy. We look forward to your assistance.

Sincerely,

John Barrasso, M.D

Ranking Member

Senate Energy and

Natural Resources Committee

John Barrasso

Cathy McMorris Rodgers

Cath Me L Lodger

Ranking Member

House Energy and

Commerce Committee