

Appendix A

Request Letter from Senator Sununu

JOHN E. SUNUNU
NEW HAMPSHIRE

DEPUTY WHIP

BANKING, HOUSING, AND URBAN AFFAIRS

COMMERCE, SCIENCE, AND TRANSPORTATION

FOREIGN RELATIONS

GOVERNMENTAL AFFAIRS

JOINT ECONOMIC COMMITTEE



UNITED STATES SENATE

January 29, 2004

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Mr. Guy F. Caruso
Administrator
Energy Information Administration
U.S. Department of Energy
1000 Independence Ave. SW
Washington, DC 20585

Dear Mr. Caruso:

I would like to better understand the economic and productivity impacts of certain provisions in the conference report of the Energy Policy Act of 2003.

Specifically, Title XIII, ENERGY TAX INCENTIVES contains provisions that subsidize various forms of energy production and conservation. For each provision identified in the attachment to this letter, I would appreciate the following:

1. EIA's estimate of how much incremental energy (resulting from the subsidy compared to the annual energy outlook [AEO] 2004 reference case) is either produced or saved for each of the next ten years after enactment (assume '04). The analysis should include a projection to the year 2025.
2. EIA's estimate of how much petroleum imports are reduced or increased for each of the next ten years. The analysis should also include a projection to 2025.
3. EIA's estimate of the tax revenue losses that would result from each provision identified in the Attachment. Where EIA's estimate differs significantly from the Estimates of the Joint Tax Committee please provide an explanation of the differences.

I would appreciate receiving your estimates by February 9, 2004. Please do not hesitate to call my office if you have questions regarding this request.

With best regards,

John E. Sununu
United States Senator

ATTACHMENT---Title XIII--- ENERGY TAX INCENTIVES¹

Conservation Provisions

- 2. Section 45 credit for electricity produced from certain sources.
- 10. Credit for electricity produced from advanced nuclear power facilities.

Production Provisions

- 4. Amortize all geological and geophysical expenditures over 2 years.
- 5. Extension and modification of section 29 for producing fuel from non-conventional source.
- B.2.b. Enhanced oil recovery credit for 2004 and 2005.

¹ Note that the number and description for each of the above provisions is from "Estimated Budget Effects of the Conference Agreement for the Energy Tax Policy Act of 2003" dated 11-18-03 published by the Joint Committee on Taxation.