



Agriculture Energy Alliance

Representing agriculture as a producer and consumer of energy

June 20, 2005

The Honorable Pete Domenici
United States Senate
328 Hart Senate Office Building
Washington, D.C. 20515

The Honorable Jeff Bingaman
United States Senate
703 Hart Senate Office Building
Washington, D.C. 20515

**Re: Please Support U.S. Agriculture by Passing Natural Gas Legislation
with OCS Development Provisions**

Dear Senators Domenici & Bingaman:

The Agriculture Energy Alliance thanks the Senate Energy and Natural Resources Committee for reporting out comprehensive energy legislation. We encourage the full Senate to pass comprehensive energy legislation that includes provisions to increase supply and decrease demand for natural gas. Specifically, we would encourage the Senate to include policies that allow for natural gas production in the Outer Continental Shelf (OCS).

The Agriculture Energy Alliance represents a broad-based coalition of growers and agribusinesses that faces a looming crisis because of public policies that create demand for natural gas while restricting access to supply sources. The farm sector depends on significant use of natural gas for food processing, irrigation, crop drying, heating farm buildings and homes, crop protection chemicals, and nitrogen fertilizer production.

The agricultural community has become much more efficient in its use of energy resources. Since 1980, U.S. farmers have increased nitrogen use efficiency by 35 percent while boosting corn yields by 40 percent. We can produce an abundant, affordable, and healthy food supply, but we need Congress to produce the kind of policies that enable us to utilize the resources needed to produce that supply.

Development of offshore natural gas reserves is crucial for residential and commercial consumers as well as for manufacturers that use natural gas as a feedstock. At today's natural gas price levels, the U.S. can expect continued demand destruction in the manufacturing sector along with the loss of good jobs. The Senate can improve energy

independence and help maintain a competitive domestic manufacturing base by passing an energy bill that includes a natural gas inventory of the OCS and provisions for states to opt out of the current moratorium on development of natural gas supplies in the OCS.

The Agriculture Energy Alliance urges Congress to act expeditiously to promote the development of domestic energy resources so important to a competitive agricultural sector. We urge the Senate to pass a comprehensive energy bill that provides an enhanced role for development of all energy resources for a more diverse portfolio and adequate domestic supplies of natural gas. We stand ready to work with you on these extremely important policies that are critical to U.S. farmers, agribusiness, and consumers.

Respectfully,

**Agribusiness Association of Iowa
Agribusiness Council of Indiana
Agricultural Council of California
Agricultural Retailers Assn.
Alabama Crop Management Assn.
American Farm Bureau Federation
American Soybean Assn.
Arkansas Plant Food Assn.
CF Industries, Inc.
CHS Inc.
California League of Food Processors
Colorado Grain & Feed Assn.
CropLife America
Delaware Maryland Agribusiness Assn.
Diamond of California
Far West Agribusiness Assn.
Florida Fertilizer & Agrichemical Assn.
Georgia Agribusiness Council, Inc.
Georgia Feed & Grain Assn., Inc.
GROWMARK, Inc.
Hawaiian Alliance for Responsible
Technology & Science
Illinois Fertilizer & Chemical Assn.
Indiana Grain & Feed Assn.
Indiana Plant Food & Ag Chemicals Assn.
Intermountain Farmers Assn.
Kansas Agribusiness Retailers Assn.
Land O' Lakes, Inc.
Louisiana Ammonia Producers
MFA Incorporated
Michigan Agri-Business Assn.
Minnesota Crop Production Retailers
Missouri Ag Industries Council, Inc.
Montana Agricultural Business Assn.
National Association of Wheat Growers**

**National Barley Growers Assn.
National Chicken Council
National Corn Growers Assn.
National Council of Farmer Cooperatives
National Grain Sorghum Producers Assn.
National Grange
National Renderers Association, Inc.
National Sunflower Assn.
National Turkey Federation
Nebraska Agri-Business Assn.
North Dakota Agricultural Assn.
Oklahoma Ag Retailers
Oregon Wheat Growers League
Plant Food Association of North
Carolina, Inc.
PotashCorp
Rocky Mountain Agri-Business Assn.
South Carolina Fertilizer and Agrichemical
Assn.
South Dakota Agri-Business Assn.
Southern Crop Production Assn. (GA)
Tennessee Agricultural Production Assn.
Terra Industries
Texas Ag Industries Assn.
Texas Agricultural Cooperative Council
The Mosaic Company
The Fertilizer Institute
U.S. Canola Assn.
USA Rice Federation
Virginia Crop Production Assn.
Virginia Poultry Federation, Inc.
Wisconsin Fertilizer and Chemical Assn.**

Cc: Senate