

## ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda—underwritten by global corporations—includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With **ALEC EXPOSED**, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

**DID YOU KNOW?** Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?**

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### ALEC Energy Principles

Did you know the trade group for the gas industry was a corporate co-chair in 2011?

**Mission:** To define a comprehensive strategy for energy security, production, and distribution in the states consistent with the Jeffersonian principles of free markets and federalism.

#### Introduction: A National Energy Strategy

Energy affects all aspects of American life. It is indispensable for economic growth. Access to energy and the supply of energy will only become more important as America's economy and the world's economy grow.

**Energy Use Will Continue to Grow.** According to the Energy Information Administration (EIA), overall energy consumption in the United States will grow by 18 percent between 2005 and 2030—increasing from 100 quadrillion Btu used a year to 118 quadrillion Btu.<sup>[i]</sup> Over the same period, EIA projects that electricity demand will increase by 30 percent<sup>[ii]</sup> and demand for liquid fuels (such as gasoline and diesel) will increase by nearly 10 percent.<sup>[iii]</sup>

**Air Quality Has Improved As Energy Use Has Increased.** According to EPA, since 1980 gross domestic product has increased 124 percent, vehicle miles traveled have increased 103 percent, population has increased 33 percent, and energy consumption has increased 30 percent. Despite these increases, aggregate levels of air toxics have decreased 52 percent. Ambient levels of carbon monoxide are down 77 percent, ozone is down 21 percent, lead is down 94 percent and sulfur dioxide is down 68 percent.<sup>[iv]</sup>

**Global Climate Change is Inevitable.** Climate change is a historical phenomenon and the debate will continue on the significance of natural and anthropogenic contributions. ALEC will continue to monitor the issue and support the use of sound science. Regardless, the economy is becoming more energy efficient. Each year we emit less carbon dioxide per dollar of economic output. In fact, carbon dioxide emissions per dollar of GDP declined 41.3 percent between 1981 and 2005. This impressive improvement has taken place without greenhouse gas emissions regulations or taxes.

**ALEC Supports Free Markets.** ALEC supports free markets because markets lead to better policy outcomes than onerous regulation. America's economy is becoming more energy efficient and less carbon intensive, not because of regulation, but because it saves money to be energy efficient. Free markets in energy produce more options, more energy, lower prices, and less economic disruptions. Free markets are not perfect, but they are better than all of the alternatives.

The ALEC Energy Principles are an expression of the Jeffersonian ideals of free markets and liberty. These principles are especially important today. Far too often government policies restrict energy options and limit access to vital energy resources.

## ALEC's Corporate Board

### --in recent past or present

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO
- Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at [www.SourceWatch.org](http://www.SourceWatch.org).

## **1. Energy Realism**

Rely on the market to develop and produce new technologies: The free market should be the principal determinant of which products reach the marketplace.

Governments should not mandate nor limit energy choices: Government programs designed to encourage and advance energy technologies should not reduce energy choices or supply. They should not limit the production of electricity, for example, to only politically preferable technologies.

Rely on existing technology: Energy policy should rely on technologies that exist, not on uncertain future technological advancements. Technological advancement will occur, but we cannot predict them ahead of time.

## **2. Energy Security**

Access: North America has extremely large reserves of fossil fuels in the form of natural gas, petroleum, coal, oil sands, and oil shale. Access to these resources should be expanded to provide America with low-cost and reliable energy. Coastal resources must be explored in an environmentally sensitive manner and barriers limiting the use of and access to public lands must be removed.

Fuel Diversity: Energy security requires a diversity of fuels and a diversity of fuel supplies energy sources. We must develop fossil fuels, nuclear, renewable (hydro, wind and solar) and alternative (bio-mass, fuel cell and other) resources.

Protection & Safety: North America's energy infrastructure must be protected from terrorist disruption. Plan for nuclear waste storage must be finalized.

Environmental Protection: Modern fossil fuel development successfully utilizes responsible environmental practices. Streamlining of regulations is vital.

Conservation: Conservation is an important component of a sound U.S. energy security policy, but conservation alone will not meet the nation's energy needs.

## **3. Energy Efficiency**

Energy efficiency is enhanced most effectively through free market forces. State policies must allow free and competitive markets regarding pricing, technology deployment, energy efficiency, and selection of fuels and suppliers.

State governments can conduct audits of their own energy usage and make appropriate market and cost-based adjustments to enhance efficiency in government-owned facilities.

## **4. Energy Infrastructure**

Reliable electricity supply depends upon significant improvement of the transmission grid. Interstate and intrastate transmission siting authority and procedures must be addressed to facilitate the construction of needed new infrastructure.

New, expanded, and modified refineries, power plants, and transmission facilities require streamlining of siting and permitting processes.

## **5. Energy Trade and Development**

State and federal government initiatives must promote free trade between nations. Government control should be discouraged to allow the market, not political machinations, to control energy resources.

## **6. Energy Regulatory Predictability and Investment Certainty**

State and national legislation and regulation should result in predictability of process and enforcement resulting in the facilitation of investment certainty. The regulatory process should enhance, encourage, and expand energy production, transmission, and distribution. Multiple and duplicative regulatory processes should be streamlined.

*First adopted by the Natural Resources Task Force in 2002. Amended at the States and Nation Policy Summit, May 16, 2008.*

[i] Energy Information Administration, "Annual Energy Outlook 2008," Report #: DOE/EIA-0383 (2008). Table 2. Energy Consumption by Sector and Source. Available [http://www.eia.doe.gov/oiaf/aeo/excel/aeotab\\_2.xls](http://www.eia.doe.gov/oiaf/aeo/excel/aeotab_2.xls).

[ii] Energy Information Administration, "Annual Energy Outlook 2008," Report #: DOE/EIA-0383 (2008). Table 8. Electricity Supply, Disposition, Prices and Emissions. Available [http://www.eia.doe.gov/oiaf/aeo/excel/aeotab\\_8.xls](http://www.eia.doe.gov/oiaf/aeo/excel/aeotab_8.xls).

[iii] Energy Information Administration, "Annual Energy Outlook 2008," Report #: DOE/EIA-0383 (2008). Table 11. Liquid Fuels Supply and Disposition. Available [http://www.eia.doe.gov/oiaf/aeo/excel/aeotab\\_8.xls](http://www.eia.doe.gov/oiaf/aeo/excel/aeotab_8.xls).

[iv] Environmental Protection Agency, *Air Trends: Basic Information*. <http://www.epa.gov/airtrends/sixpoll.html>.

**About Us and ALEC EXPOSED.** The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish [www.PRWatch.org](http://www.PRWatch.org), [www.SourceWatch.org](http://www.SourceWatch.org), and now [www.ALECExposed.org](http://www.ALECExposed.org). For more information contact: [editor@prwatch.org](mailto:editor@prwatch.org) or 608-260-9713.

Center for Media  
and Democracy's  
quick analysis:

These "principles" tend to promote fossil fuel, climate change denial and increased energy use. They oppose government energy mandates and regulations and would eliminate renewable energy standards set by democratically elected officials as opposed to unelected private businesses.