



July 18, 2012

Secretary Ray Mabus
United States Navy
1200 Navy Pentagon
Washington DC 20350-1200

Dear Mr. Secretary:

This week you have directed the use of experimental biofuels by a carrier strike group in the Pacific Ocean, requiring the purchase and delivery of 900,000 gallons of a 50-50 blend of hydro-treated renewable diesel fuel and aviation fuel.¹ The “Great Green Fleet” of RIMPAC 2012, which the U.S. Navy bills as the “largest international maritime exercise” under the command of Vice Admiral Gerald Beaman, has earned you praise by at least two United States Senators for “increasing the use of a promising new energy source.”²

In recent weeks, naval commanders have praised this program in numerous public statements. “Reducing our dependence on foreign oil is strategic in many ways . . . what the Navy has done with alternative fuels in the short-term is going to create opportunities to make a long-term dent in our traditional fossil fuel usage,” noted Rear Adm. Mark Heinrich, chief of Supply Corps.³ “The Great Green Fleet will demonstrate another energy transformation that has the potential to strengthen our energy security by unleashing the military from the tether of oil,” an unnamed Navy official recently stated.⁴

Even you have noted that United States needs “a stable, homegrown, American source of fuel.”⁵ I could not agree with you more. The American people have the right to demand that the most powerful naval force on Earth use affordable, stable sources of domestically produced energy.

I was surprised, therefore, to see that the Navy Department would use long-discredited data about America’s true energy reserves in an effort to substantiate

¹ http://www.navy.mil/submit/display.asp?story_id=68410

² <http://www.politico.com/news/stories/0712/78517.html>

³ <http://www.politico.com/news/stories/0712/78517.html>

³ http://www.navy.mil/submit/display.asp?story_id=68407

⁴ <http://www.theepochtimes.com/n2/united-states/great-green-fleet-may-turn-the-tide-for-green-energy-266061.html>

⁵ <http://www.stripes.com/news/navy/mabus-congress-hasn-t-derailed-navy-s-plan-to-increase-use-of-biofuels-1.183064>

your biofuel initiatives. I was doubly surprised to learn that you had personally made this claim before a recent hearing of the Senate Energy subcommittee on water and power.⁶ In a fact sheet produced by the Navy Department, the rationale for the use of expensive biofuels – costing as much as \$27 per gallon – is grounded in the claim that “the U.S. possesses 2% of the global oil reserves” and that “the U.S. consumes about 22% of the world’s petroleum supplies.”⁷ In fact, this claim has been used repeatedly by President Obama to push for greater taxpayer subsidies for renewable energy companies like Solyndra and Solazyme, the latter of which not only produced the biofuels used this week in RIMPAC 2012 but is represented on a federal advisory committee that is working to increase biofuel dependency by the Department of Defense and other federal agencies.⁸

Your Department’s claim that the U.S. possesses only 2 percent of the world’s oil reserves shows a vast misunderstanding of our real domestic energy potential at best or an intentional distortion at worst. Recently, the Washington Post Fact Checker downgraded President Obama’s truthfulness, calling his use of the “2 percent” number “specious logic.” A recent report from the U.S. Geological Survey indicates that the U.S. possesses at least 26 percent of the world’s oil supply, leading top policymakers to call the President’s claims “less than honest.”⁹ And analysis done by some of our nation’s top energy regulators demonstrates that America’s “new found energy strength” promises to completely break “OPEC’s hold on North America.”¹⁰ Indeed, robust development of our domestic oil resources rather than expensive green energy schemes promises to strengthen our economy and secure the fuels needed by America’s strategic naval fleet.

The continued use of a specious claim about America’s true resource potential by your Department is troubling. The American people would not support your decision to purchase \$27 per gallon biofuels at ten times the going rate for fuel if they knew that decision rests on faulty rhetoric and propaganda. And they deserve to know, since their taxpayers’ dollars are funding your green experiment, thereby taking money away from critical functions of the Navy. Just this week, the Institute for Energy Research (IER) received more than 1200 petitions from concerned Americans who do not want the U.S. government to needlessly overpay for energy. “Wasteful government expenditures like the biofuels aboard the ‘Great Green Fleet’” are one of the reasons that “our economy continues to struggle,” according to these taxpayers. We will be sending these petitions to you shortly because you need to know what Americans think about this initiative.¹¹

⁶ http://www.navy.mil/submit/display.asp?story_id=65844

⁷ <http://greenfleet.dodlive.mil/files/2012/06/20120610-N45-Biofuel-FactSheet.pdf>

⁸ <http://washingtonexaminer.com/obama-biofuels-panel-packed-with-green-subsidy-%20winners/article/2500586>

⁹ <http://www.foxnews.com/politics/2012/04/19/republicans-say-new-study-belies-obama-claim-us-has-2-percent-world-oil/>

¹⁰ <http://oversight.house.gov/wp-content/uploads/2012/07/Douglas-Testimony-Final.pdf>

¹¹ <http://www.instituteforenergyresearch.org/stop-wasting-our-taxpayer-dollars/>

Moreover, I have requested that Congress initiate an “immediate, exhaustive, and unyielding” investigation of the abuse of taxpayer dollars represented by the Navy’s biofuel experiment. A copy of that letter is attached.

Finally, I am sending you a complimentary copy of IER’s *North American Energy Inventory* – released in December 2011 (about the same time you were purchasing \$27 per gallon biofuels for this summer’s Pacific exercise) – that reveals the true extent of America’s natural resource potential. Contrary to your assertions, and those repeated by your Department’s website and other administration publications, America has the potential to be completely free of overseas oil within the next 10 years. All told, the United States has 200 years of domestic oil supply at current consumption levels without need for a single drop of imports.

In addition to IER’s study, the Manhattan Institute has recently published a report that demonstrates how the total North American hydrocarbon base is “more than four times greater than all the resources extant in the Middle East.”¹² Furthermore, the Congressional Research Service reports that America’s recoverable resources are far larger than those of Saudi Arabia, China, and Canada combined, not including our oil shale and methane hydrate deposits.¹³ It would behoove you to familiarize yourself with these facts.

The United States is the most energy rich country on earth, and our Navy is its most advanced sea power force. The uniformed men and women who serve the U.S. Navy – and the people they serve to protect – deserve better than half-truths and outright distortions of fact to facilitate a green energy agenda that has nothing to do with our national security. Using our limited national defense dollars on agendas that are premised on faulty data is scandalous. I urge you to consider the facts, direct the Navy to cease publication of specious claims about American energy resources, and return to pursuing the Department’s core mission.

Sincerely,



Thomas J. Pyle
President

¹² http://www.manhattan-institute.org/html/pgi_01.htm

¹³ http://epw.senate.gov/public/index.cfm?FuseAction=PressRoom.PressReleases&ContentRecord_id=824FBF11-802A-23AD-4FE4-04C94A5A6757