

# United States Senate

WASHINGTON, DC 20510

November 8, 2005

The Honorable Samuel W. Bodman  
Secretary  
U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Bodman:

Last week, oil companies reported record profit for the third quarter on surging oil prices: Chevron posted profits of \$3.6 billion; BP profits rose to \$6.5 billion; Royal Dutch Shell profits grew to \$9 billion; and ExxonMobil profits gushed to nearly \$10 billion. According to *Business Week*, ExxonMobil earned \$150 million profit for every working day in the past three months.

This year has been exceptionally lucrative for the oil industry; however, rising energy prices threaten to financially overwhelm low-income families and seniors this winter. Americans are experiencing extraordinarily high run-ups in energy prices that jeopardize the ability of many families to keep their home warm.

As you may know, in 1980, Congress enacted the Crude Oil Windfall Profit Tax Act; this legislation established the LIHEAP program. Twenty-five years later, with energy prices overwhelming workers' salaries and seniors' Social Security checks, it is time to again take action and tax windfall profits to aid in energy assistance. We hope that the Administration would reconsider its position and offer leadership in support of this effort.

With \$5.1 billion in funding, LIHEAP could serve 12 million families this year. This is double the number of families served last year, but still only one-third of those eligible. States could also increase the level of benefits to help with rising costs. For seniors, this funding would mean they would not have to choose between buying life-saving medication and paying their natural gas bill. For working families, this funding would mean they do not have to decide between putting food on the table and putting heating oil in the tank.

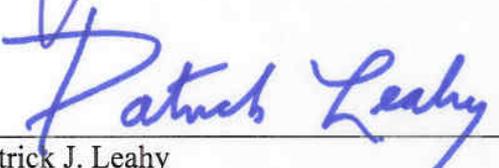
The cost of a windfall profit tax to integrated oil companies is small. For the companies listed above, this additional funding would be approximately 10 percent of their profits from one-quarter from one year, or in the case of ExxonMobil, just one-third of their profits for one quarter. This is a small price to pay to keep American families safe and warm this winter. We urge you to support this effort.

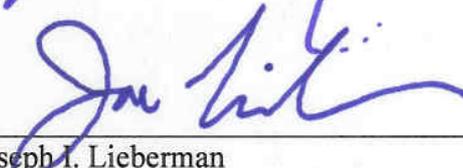
We look forward to your response.

Sincerely,

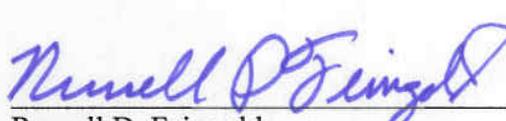
  
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Jack Reed

  
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John F. Kerry

  
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Patrick J. Leahy

  
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Joseph I. Lieberman

  
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Mark Dayton

  
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Russell D. Feingold

  
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Herb Kohl

  
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Barbara A. Mikulski