



All For All Forms of Energy

Fossil fuels and electric vehicles can and should co-exist — on a level playing field.

Don't bother cleaning your glasses or rubbing your eyes — you read that right. Koch Industries, the same company that owns and operates oil refineries and pipelines, is all for electric vehicles.

There. We said it.

Contrary to popular opinion, we see value in all forms of energy — wind, solar, gas or anything in between. It's why we invest in renewable fuels like ethanol and biodiesel.

Of course, we love fossil fuels, too — they provide 87 percent of our nation's domestic energy supply and play a critical role in any comprehensive energy strategy. And for the majority of people around the world, they're the most affordable and abundant energy solution available.

What we are against is government influencing a free market in any way by picking winners and losers, regardless of whether that helps or hurts our bottom line. This sort of preferential treatment distorts markets and raises energy costs for all.

While the fossil fuel industry, like many others, has benefitted in the past from such market-distorting policies, we firmly believe consumers should be

able to choose the energy sources that best meet their needs free from governmental influence.

Influence, for example, like the \$535 million bet the U.S. government placed on solar panel company Solyndra. When Solyndra eventually folded in 2011, they defaulted on their government-backed loan, costing taxpayers millions.

Or the tax credits (up to \$7,500) the government offers to consumers who purchase hybrid and electric vehicles. Such credits may seem enticing to the general public, but the reality is that 90 percent of beneficiaries come from the top income bracket.*

And there's the rub: just as the government should not be allowed to subsidize one form of energy over another, taxpayers should not be forced to foot the bill for the lifestyle choices of the wealthiest 20 percent of Americans.

Whether one company or one form of energy succeeds must not be dependent on its political clout, but rather the quality of service or value it provides. When

our government intervenes, it erodes consumer confidence and rigs the system to the benefit of some over others.

This type of corporate welfare has unfortunately become all too common in today's political landscape. These subsidies dull competitiveness by giving politically connected companies an edge over their peers. And when that happens, consumers always lose.

Consumers should be able to choose the energy sources that best meet their needs free of governmental influence.

We support electric vehicles and renewable energy solutions — especially their right to compete in a free market with all other alternatives. Competition is what drives business success. In fact, it makes businesses even

stronger and allows innovation to stand on its own two feet.

Koch Industries will continue to advocate for the rights of consumers to pick the energy solution best for them. Because, as a consumer, the energy you use should be the energy you choose.

www.KOCHind.com

*"The Distributional Effects of U.S. Clean Energy Tax Credits," Severin Borenstein and Lucas Davis,



The EPA has recognized our pollution prevention leadership. For the second straight year.*

Meeting our nation's energy needs while keeping America beautiful isn't an either/or choice. We're doing it every day by creating innovative systems that can help the entire oil and gas industry minimize the environmental footprint. And we're just getting started. Discover more at: www.KOCHind.com/responsibility

For Koch's stance on electric vehicles and alternative energy,
read our advertorial on page 11 inside this issue.

KOCH

2015 and 2016 EPA reports rank Koch the best U.S.-based parent company for implementing pollution prevention initiatives.

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THE HILL

ENERGY & ENVIRONMENT
THE FUTURE OF ENERGY IN THE UNITED STATES

HOW \$30 OIL

IS CHANGING WASHINGTON
AND THE WORLD

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