

**Exhibit 2: Distribution of Federal Fiscal Subsidies to Energy, 2006**  
*Preliminary Estimates*

	\$Billions Per Year (Avg. of High/Low Ests)	% Share
Oil and Gas	39	52.4%
Coal	8	10.5%
Fossil, mixed	2	3.3%
<i>Total Fossil</i>	49	66.2%
Nuclear	9	12.4%
Ethanol	6	7.6%
Other Renewables	6	7.5%
Conservation	2	2.1%
Mixed Resources/Other	3	4.2%
<b>Total, all resources</b>	74	100.0%

Source: [www.earthtrack.net](http://www.earthtrack.net)

Energy subsidies continue to grow in part due to rapidly rising energy prices and heightened concerns over the security of supply. These factors have encouraged increased legislative initiatives, as government officials try to demonstrate action and attention to this problem. Often these initiatives focus on deploying federal resources to one fuel or another, rather than on trying to correct baseline market and policy distortions that impede the development and entry of emerging fuels or energy sources in appropriate ways. This choice is not surprising: attacking root causes is both difficult and political risky.

Doug Koplow, Earth Track, Inc

<http://www.earthtrack.net/earthtrack/library/SubsidyReformOptions.pdf>