



July 23, 2010

The Honorable Harry Reid
Senate Majority Leader
S-221 The Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
S-231 The Capitol
Washington, DC 20510

Dear Senators Reid and McConnell:

On behalf of the Business Council for Sustainable Energy (BCSE) we commend you for your commitment to move forward with energy legislation and urge the Senate to pass a bill before the August recess that includes a broad set of widely-supported clean energy policies and incentives.

As you know, the Council is an industry coalition that includes companies and trade associations representing currently available clean energy technologies in the renewable energy, energy efficiency and natural gas industries. The Council supports immediate enactment of legislation that expands the use of readily available clean energy resources and technologies to create American jobs and manufacturing, reduce greenhouse gas emissions, and strengthen our national security and economic competitiveness.

We were pleased to learn from yesterday's announcement that the Senate legislation is expected to include important energy efficiency measures including the Home STAR legislation and investments in the manufacturing of natural gas vehicles. In addition to these measures, however, the Council urges the Senate to include the following essential energy policies and tax provisions to this bill:

- A strong national Renewable Electricity Standard to ensure that a growing percentage of electricity consumed in the United States is derived from renewable energy sources. The targets should be set higher than business as usual forecasts and be structured to deploy a broad range of existing technologies.
- A national Energy Efficiency Resource Standard requiring energy savings through efficiency programs or combined heat and power (CHP), which goes beyond business as usual. Additional efficiency measures are needed including energy-savings targets for new and existing buildings and provisions to encourage states to adopt energy efficiency programs in the forms of codes, standards, and incentives. Further, energy efficiency definitions and measurements should also be defined to recognize the overall efficiency of energy use from extraction and generation through use, thereby leveling the playing field among competing technology alternatives.
- Robust and predictable tax and other financial incentives and financing mechanisms for clean energy and energy efficiency projects and manufacturing, such as the Section 1603 Treasury Grant Program and Section 48c Manufacturing Tax Credit.
- All the STAR proposals to improve energy efficiency in the residential, commercial building, and industrial sectors, including Building STAR (S.3079 and H.R.5476), and Industrial STAR (H.R.4751) in addition to Home STAR (S.3434 and H.R.5019).
- Measures to increase the utilization of high-efficiency natural gas-fueled generation.

We appreciate your commitment to moving forward with energy legislation this Congress and pledge ourselves to work with you toward enactment of these critical measures this year. A complete set of the Council's energy policy and tax priorities is attached for your reference. If you have any questions or comments, please feel free to contact me in the Council's offices.

Sincerely,

Lisa Jacobson, President
Enclosure

Cc: Members of the U.S. Senate