



The Honorable Barack Obama
Office of the President Elect
Transition Office
451 6th St., NW
Washington, D.C. 20001

December 11, 2008

Dear President-elect Obama:

As an informal coalition of hundreds of businesses, environmental organizations, investors, nongovernmental organizations, public health organizations, religious organizations, states, trade associations and utilities, the Clean Energy Now Coalition is writing to recommend a critically important package of clean energy investments for inclusion in the economic recovery bill early next year. In a time of constrained credit and economic instability, these investments would create new high-wage American jobs, spur economic investment in an environmentally responsible manner, encourage new technology deployment and innovation, promote energy independence, decrease global warming pollution and save U.S. consumers and businesses money on their energy bills.

The Clean Energy Now Coalition played a key role in building the support needed to enact extensions of the federal tax incentives for energy efficiency and renewable energy technologies earlier this year, and is now focused on building on this effort with measures that can promote economic recovery with new jobs and investment in the clean energy sector.

More specifically, we recommend that the following investments be included in an economic recovery bill:

- I. *Renewable Electricity:* A) The structure of the renewable production tax credit, solar and fuel cell investment tax credits and accelerated depreciation related to renewable electricity production should be changed to make these provisions fully refundable B) The renewable energy production tax credit should be extended for a period of five years and renewable tax incentives should remain fully refundable for this period; C) renewable tax credits generated in 2008 and 2009 should be permitted to carry back against tax liability over the past decade to the extent of new renewable investment in 2009; and D) Funding of the Clean Renewable Energy Bonds (CREBs) Program for electric cooperatives and public power systems should be increased by \$2 billion; Other investments should also be included such as substantial federal procurement of renewable energy resources,

support for installation of renewable electricity technologies in public buildings such as schools, and manufacturer incentives for renewables.

-- The structural changes described above to the tax incentives are critical to the continued development of the renewable energy industries because the economic downturn has wiped out profits and tax liability across the economy, and thus much of the value of these incentives.

II. Energy Efficiency: A) The structures of the energy efficient appliance manufacturer tax credit, efficient new homes tax credit and efficient commercial buildings tax deduction should be changed to make the provisions fully refundable for the same reasons as the renewable incentives; B) Block grants should be provided to state and local governments to support energy efficiency retrofits of buildings and other clean energy programs; C) Funding for weatherization of low-income homes should be significantly increased; D) Significant investments should be made in smart grid technologies and plug-in electric vehicles; E) Bonus depreciation should be extended two years for clean energy technologies; F) Additional investments that should be included are described in the economic recovery proposal of the Tax and Appropriations Group, which is coordinated by the Alliance to Save Energy (the Alliance will submit this proposal separately).

III. Education and Work Force Training: A) The Green Jobs Act should be funded at least twice the authorized level; B) The Service and Conservations Corps should be enhanced to create a “Clean Energy Service Corps;” C) Scholarships should also be provided for students to pursue undergraduate degrees in science, math or engineering.

You laid out a bold challenge for the country to move to a clean energy economy. With hundreds of thousands of jobs and billions of dollars in clean energy investment at risk, inclusion of these clean energy provisions in an economic recovery bill is a critical step in this direction. We look forward to working with you on this important legislation and building a groundswell of support necessary to enact it swiftly into law.

Sincerely,

AES Wind Generation
Alliance to Save Energy
American Council on Renewable Energy
American Institute of Architects
American Wind Energy Association
Apollo Alliance
Audubon
AWS Truewind, LLC
Ballard Power Systems

Bergey Windpower Co.
Business Council for Sustainable Energy
CAB Incorporated
Certain Teed Corp.
Clean Water Action
Climate Solutions
Clipper Windpower, Inc.
D.H. Blattner & Sons, Inc
DNV Global Energy Concepts

E.ON Climate & Renewables North America Inc. U.S. Green Building Council
Energy Unlimited, Inc. Union of Concerned Scientists
Environment America United Steelworkers
enXco Development Corp Whirlpool Corporation
Eurus Energy America Corporation Wind Capital Group
First Wind Wood3 Resources
Gamesa Technology Corporation, Inc.
Guardian Building Products, Inc.
Interwest Energy Alliance
Johns Manville
Johnson Controls, Inc.
Knauf Insulation
League of Conservation Voters
LM Glasfiber
Mortenson Construction
MSE Power Systems Inc.
National Association of Energy Service Companies
National Association of State Energy Officials
National Hydropower Association
National Rural Electric Cooperative Association
National Venture Capital Association
National Wildlife Federation
Natural Resources Defense Council
North American Insulation Manufacturers Association
Oceana
Owens Corning
Pacific Winds LLC
Portland General Electric
PPG Industries
Repower USA
Siemens Corporation
Sierra Club
Solar Energy Industries Association
Southern Alliance for Clean Energy
TechNet
The Dow Chemical Company
The Real Estate Roundtable
The Stella Group, Ltd.
The Wilderness Society
Third Planet Windpower, LLC
TPI Composites
TradeWind Energy, LLC
U.S. Fuel Cell Council