



The Honorable Harry Reid
Majority Leader
U.S. Senate
528 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Mitch McConnell
Republican Leader
U.S. Senate
361-A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
235 Cannon House Office Building
Washington, D.C. 20515

The Honorable John Boehner
Republican Leader
U.S. House of Representatives
110 Longworth House Office Building
Washington, D.C. 20515

December 11, 2008

Dear Congressional Leaders:

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.

President Elect Obama 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	National Venture Capital Association
Alliance to Save Energy	National Wildlife Federation
American Council on Renewable Energy	Natural Resources Defense Council
American Institute of Architects	North American Insulation Manufacturers Association
American Wind Energy Association	Oceana
Apollo Alliance	Owens Corning
Audubon	Pacific Winds LLC
AWS Truwind, LLC	Portland General Electric
Ballard Power Systems	PPG Industries
Bergey Windpower Co.	Repower USA
Business Council for Sustainable Energy	Siemens Corporation
CAB Incorporated	Sierra Club
Certain Teed Corp.	Solar Energy Industries Association
Clean Water Action	Southern Alliance for Clean Energy
Climate Solutions	TechNet
Clipper Windpower, Inc.	The Dow Chemical Company
D.H. Blattner & Sons, Inc	The Real Estate Roundtable
DNV Global Energy Concepts	The Stella Group, Ltd.
E.ON Climate & Renewables North America Inc.	The Wilderness Society
Energy Unlimited, Inc.	Third Planet Windpower, LLC
Environment America	TPI Composites
enXco Development Corp	TradeWind Energy, LLC
Eurus Energy America Corporation	U.S. Fuel Cell Council
First Wind	U.S. Green Building Council
Gamesa Technology Corporation, Inc.	Union of Concerned Scientists
Guardian Building Products, Inc.	United Steelworkers
Interwest Energy Alliance	Whirlpool Corporation
Johns Manville	Wind Capital Group
Johnson Controls, Inc.	Wood3 Resources
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	