



September 6, 2016

The Honorable Lisa Murkowski
709 Hart Senate Office Building
Washington, DC 20510

The Honorable Fred Upton
2183 Rayburn House Office Building
Washington, DC 20515

The Honorable Maria Cantwell
511 Hart Senate Office Building
Washington, DC 20510

The Honorable Frank Pallone
237 Cannon House Office Building
Washington, DC 20515

Dear Chairmen Murkowski and Upton and Ranking Members Cantwell and Pallone:

The Business Council for Sustainable Energy (BCSE) is encouraged by congressional action to move forward with a House-Senate conference on S.2012, the Energy Policy Modernization Act, and we look forward to working with you in the coming weeks to finalize legislation before the end of the year with meaningful provisions for clean energy. As you conference on the bill we encourage you to build upon the bipartisan provisions that have been negotiated over the past months and years.

Today's energy mix in the United States is radically different from that of a generation ago. The 2016 edition of the *Sustainable Energy in America Factbook* documents this shift and demonstrates how energy efficiency, renewable energy and natural gas are contributing to the country's move towards cleaner energy production and more efficient energy usage. These clean energy technologies are essential to U.S. environmental objectives, energy policy goals, and to U.S. economic growth. Stable, balanced policies, and additional infrastructure, are critical for continued growth.

There are a number of provisions in the energy legislation of particular interest to clean energy industries. Of note, as a diverse business coalition, not all members endorse or take a position on the recommendations in this letter. The Council is pleased to see:

- Provisions aimed at improving infrastructure and streamlining approval processes for clean energy projects, such as:
 - The hydropower licensing improvements. At a time when we need more affordable, reliable, and clean energy to meet our national climate policy objectives, the United States needs an updated, more efficient regulatory process and the hydropower provisions move us in the right direction. Hydropower is already America's largest renewable electricity resource providing almost half of all renewable generation - and it can do even more. However, the untapped growth potential will not be realized if the antiquated approval process, which can take 10 years or longer, is not addressed. The status quo is not working. We look forward to working together with conferees to merge the House and Senate bills in this area.
 - Permitting reforms for renewable energy projects on public lands contained in the Senate bill, which would speed the permitting process for solar, geothermal, and wind projects, while ensuring

appropriate environmental protections.

- Provisions to improve energy efficiency, such as:
 - The Senate-passed Sensible Accounting to Value Energy Act, or SAVE Act. The SAVE Act would bring transparency, accuracy, and security to the home appraisal and mortgage underwriting processes, and would help to finance energy efficient homes and retrofits.
 - The Senate-passed building energy code provisions as they support the effective development and implementation of building energy codes. Of note, these provisions maintain the U.S. Department of Energy's ability to provide technical support to state and local efforts to adopt building energy codes.
 - Provisions to increase Federal energy efficiency through the use of Energy Savings Performance Contracts, which will facilitate more use of these contracting vehicles to save the government money and energy without any upfront cost to taxpayers. BCSE encourages conferees to direct the Government Services Administration (GSA) to perform energy updates in the hundreds of millions of square feet currently under lease that are being treated different from federally owned space.
 - Provisions requiring the Department of Energy to establish a federal Smart Building Program to implement intelligent building technology and demonstrate the costs and benefits of smart buildings, as well as provisions to demonstrate innovative policies and approaches that will accelerate the transition to smart buildings in the public, institutional, and commercial building sectors.
- Provisions in the Senate bill directing the Department of Energy to assist in utility, state and regional organization's grid modernization efforts.
- Provisions in the Senate bill authorizing the Department of Energy to focus on research, development and deployment (RD&D) and cost-benefit analysis of energy storage in grid operations.

In order to maintain a diverse portfolio of beneficial clean energy technologies we encourage Congress to consider a tax title to the energy bill to address the needs of the clean energy tax technologies that were left out of the 2015 end of year tax and spending bills and to formulate and enact the stable, long-term tax policy framework that will support the deployment and use of clean energy technologies in a meaningful way.

BCSE encourages your consideration of these provisions to take an incremental step to expand federal energy policy as we shift toward a modernized grid.

Sincerely,



Lisa Jacobson, President

CC: The Honorable Mitch McConnell, Senate Majority Leader
The Honorable Harry Reid, Senate Minority Leader
The Honorable Paul Ryan, Speaker of the House
The Honorable Nancy Pelosi, House Minority Leader
The Honorable Rob Bishop, Chair, House Natural Resources Committee
The Honorable Raul Grijalva, Ranking Member, House Natural Resources Committee