



September 23, 2008

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

The Honorable Mitch McConnell
Senate Minority Leader
S-230, The Capitol
Washington, DC 20510

The Honorable Max Baucus
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Reid, McConnell, Baucus and Grassley:

The Business Council for Sustainable Energy applauds you for your leadership in crafting the bi-partisan Baucus-Grassley substitute amendment to HR 6049 to extend the renewable energy and energy efficiency tax credits. The Council strongly encourages the Senate to support the amendment when it is considered on the Senate floor this week.

The Baucus-Grassley amendment provides \$40 billion in desperately-needed tax incentives for solar, wind, and hydroelectric power, as well as for combined heat and power, ground-coupled heat pumps, small wind, and energy efficient improvements to existing homes, new homes, commercial buildings, and energy efficient appliances. The amendment would have a significant and positive impact on the U.S. economy and jobs, while improving our energy security, energy independence and the environment.

A number of studies have demonstrated the positive economic impact that would result in increased investments in renewable energy and energy efficiency. For example:

- According to a 2006 report by the RAND Corporation and the University of Tennessee moving to an energy supply that is 25% renewable, with significant contributions of biomass, would create over 5 million new jobs by 2025.
- A new economic study by Navigant Consulting, Inc., shows that with an 8-year extension of the solar investment tax credit more than 1.2 million employment opportunities, including 440,000 permanent jobs would be supported in the U.S. by the solar energy sector alone through 2016.
- The Department of Energy recently predicted that a significant investment in wind power leading to the generation of 20% of US electricity would yield over 6.2 million jobs by 2030.
- A May 2008 report from the American Council for an Energy Efficiency Economy (ACEEE) shows that currently, over 1.6 million US jobs are supported by energy efficiency related investments.

These studies clearly show the significant impact renewable energy and energy efficiency investments have on the US economy. The Council strongly urges Congress to pass the Baucus-Grassley amendment to promote investment in these technologies and shift the economy towards a cleaner, more diversified energy future.

Sincerely,

Lisa Jacobson
Executive Director
Cc: Members of the Senate