



March 6, 2012

The Honorable Jeff Bingaman
United States Senate
703 Hart Senate Office Bldg.
Washington, D.C. 20510

Dear Senator Bingaman:

On behalf of the Pew Charitable Trusts, I am writing to thank you for introducing S. 2146, the Clean Energy Standard Act (CES) of 2012 and for your continued leadership on clean energy issues. Over the past decade, clean energy investment, businesses, and jobs have increased dramatically around the world, reaching \$260 billion in 2011. Expansion of the clean energy industry in the United States can spur economic growth, strengthen our national security, and reduce emissions that threaten health and the environment.

Your CES legislation provides a foundation for building a clean energy economy that will spur a new wave of technological innovation, job growth, and manufacturing. Our research shows that clean energy policy is vital to national competitiveness in this sector. Nations with effective clean energy policies -- such as a clean energy standard, renewable energy standards, feed-in tariffs, and clean energy tax incentives -- have attracted investment, manufacturing and jobs.

Over the next 25 years, global energy demand will grow by nearly 50 percent, mostly in emerging markets around the world. The United States remains the world's leading source of clean energy innovation, but lags behind in manufacturing and deployment of solar, wind and other technologies. To strengthen our industry, make it more competitive and take advantage of emerging export opportunities, the United States needs to bolster domestic demand. The Clean Energy Standard Act will create that demand and enhance the competitiveness of the U.S. clean energy sector. A CES is an effective, market-based approach that will give investors the certainty they need to finance in American clean energy projects. It will bolster domestic manufacturing of clean energy products and stimulate private sector innovation. And it will help the United States harness the benefits of energy innovations that make our economy stronger, our environment cleaner and our nation more secure.

We applaud the inclusion of industrial efficiency policies such as combined heat and power (CHP) in the CES. However, a broader CES that includes waste heat recovery, district energy, and other technologies that utilize wasted heat, can create even more jobs and further expand the clean energy economy. For example, a study by the Oak Ridge National Laboratory found that doubling the U.S. production of combined heat and power and waste heat recovery by 2020 could create up to 1 million highly skilled jobs.

The Pew Charitable Trusts applauds you for your 30 years of leadership on energy issues and joins you in seeking pragmatic policies for enhancing our energy independence and security. Without effective, forward-looking policy, the U.S. competitive position in clean energy is at risk and capital is sitting on the sidelines. We look forward to working with you to secure passage of S. 2146.

Sincerely,

A handwritten signature in black ink, appearing to read "Phyllis Cuttino". The signature is fluid and cursive, with the first name "Phyllis" written in a larger, more prominent script than the last name "Cuttino".

Phyllis Cuttino
Director Clean Energy Program