

**Alaska Wilderness League - Center for Biological Diversity**  
**Chesapeake Climate Action Network - Climate Solutions - Defenders of Wildlife -Earthjustice -**  
**Friends Committee on National Legislation - Friends of the Earth**  
**Green House Network - Greenpeace USA - League of Conservation Voters**  
**National Audubon Society - National Environmental Trust**  
**National Tribal Environmental Council**  
**National Wildlife Federation - Natural Resources Defense Council - Sierra Club**  
**Southern Alliance for Clean Energy -The Wilderness Society**  
**Union of Concerned Scientists - U.S. Public Interest Research Group**  
**World Wildlife Fund**

September 13, 2007

Dear Senator,

On behalf of our millions of members and activists, we urge you to support a final energy bill that will move us toward a cleaner energy future and reduce global warming pollution. With the passage of energy legislation in both the House and Senate earlier this year, Congress is faced with an incredible opportunity to deliver an energy bill that will provide a down payment in the fight against global warming, increase our use of renewable energy, reduce U.S. dependence on oil, and protect natural resources.

While both the House and Senate bills provide important steps forward, alone they do not completely address our nation's energy problems. The American Council for an Energy Efficient Economy (ACEEE) estimates that combining the best provisions of both the House and Senate bills would cut global warming pollution by 1,530 million tons of carbon dioxide, – 19 percent – in 2030 relative to Department of Energy (DOE) projections and save consumers a total of \$850 billion by 2030. In addition, a conference report that contained the best provisions from both bills would dramatically cut America's oil dependence, diversify our energy supply, create thousands of new, well-paying jobs, and spur capital investment. Therefore, we urge you to accept the following provisions from both bills and to reject any amendment that would make it more difficult to reduce global warming pollution.

Specifically, the final conference report must include the following:

- **A Strong Renewable Electricity Standard.** The House passed provision to create a national renewable electricity standard (RES) that would require utilities to produce 15% of their electricity from renewable energy sources by 2020. The House RES allows utilities to meet up to 27 percent of their targeted requirement through energy efficiency savings (the equivalent of up to 4 percent of the 15 percent requirement). This standard would boost the production of clean, renewable energy sources such as wind, biomass, geothermal, and solar power, while creating jobs and saving consumers money.
- **Increased Fuel Economy Standards.** The Senate passed the first increase in fuel economy standards in over thirty years. The Senate provision raises the average fleet-wide standard to 35 mpg by 2020, and replaces the current standards with an attribute-based system that gives the auto industry tremendous compliance flexibility by allowing for different mileage requirements per vehicle size. This long overdue improvement in gas mileage will save 1.2 million barrels of oil a day in 2020, save consumer \$25 billion, and substantially reduce global warming pollution.
- **Energy Efficiency Incentives and Standards.** Both the House and Senate bills include important energy efficiency provisions that would not only save consumers and businesses money, but would also reduce global warming pollution. The House bill and the Senate Finance

Committee's energy tax bill (an amendment to the Senate bill that did not pass, but may be brought up again) include excellent tax incentives for advancing energy efficiency technology including an extension of the deduction for efficient commercial buildings and an expansion of the manufacturer tax credits for production of energy efficient appliances. The Senate Finance bill also includes incentives for efficient residential housing and equipment that should be included in the conference report. The House bill sets aggressive targets for strengthening state building energy efficiency codes, adopts beneficial reforms to Department of Energy (DOE) authority to issue energy efficiency standards for appliance and equipment products, and establishes new efficiency standards for products such as light bulbs, dishwashers and clothes washers. ACEEE estimates that the lighting standard alone would reduce global warming pollution by 100 million metric tons in 2030 relative to DOE projections.

- **An Extension of the Renewable Energy Production Tax Credit.** In order to avoid the boom and bust development cycle that has resulted from previous Congressional renewals of the tax credits in two-year increments, the conference report should include the extension of the renewable production tax credit (PTC) through 2013.
- **Meaningful Oil and Gas Reform.** In addition to providing important incentives for clean energy, the House bill takes important steps toward balancing a tax code that has benefited the oil and gas industry for nearly 100 years. In total, the bill eliminates approximately \$15 billion in oil and gas tax breaks, denying oil and gas companies the Section 199 deduction, reducing the benefit of the geological and geophysical tax deduction, as well as eliminating certain overseas tax deductions for oil and gas companies.
- **Protections for Public Lands and Wildlife.** The provisions of the Natural Resources title in the House bill will take important steps toward restoring sound stewardship to the management of our public lands, ensuring responsible development of oil and gas resources on federal lands, and helping America's fish and wildlife, public lands, coasts, and oceans adapt to global warming.

In addition to ensuring that these important provisions remain in the conference report, we urge you to reject any requirement to increase biofuels production that does not include critical environmental safeguards. Done right, biofuels have the potential to produce clean, renewable energy that will help increase energy independence and reduce global warming pollution. However, any new or expanded renewable fuel standard must be an amendment to the existing biofuels program established under the Clean Air Act by the Energy Policy Act of 2005. Moreover, any policy requiring an increase in biofuels production must reduce global warming pollution and be combined with necessary protections for our air, land, forests, water, wildlife habitat and public health.

We also call on you to protect U.S. taxpayers from excessive financial risks of loan guarantees. Both the House and Senate bills contain provisions that would prevent Congress from protecting U.S. taxpayers from guaranteeing loans for excessively risky and costly projects. Congress should retain its full authority, as provided in the Federal Credit Reform Act of 1990, to cap the amount of loans that taxpayers guarantee in any given year and to exclude projects that are particularly risky from loan guarantees.

Finally, we urge you to reject any addition to the conference report that would establish a mandate or incentives to produce liquid coal. Producing transportation fuels from coal will make it more difficult to achieve needed reductions in global warming pollution, as well as cause additional environmental harms associated with coal production, transportation and conversion.

Congress has a historic opportunity to enact legislation this fall that will lead the U.S. towards a new energy future by breaking our addiction to oil, investing in clean, renewable energy, and making a down-

payment in the fight against global warming. We call on you to take this much needed step by passing a conference report that incorporates the most effective provisions from both the House and Senate bills.

Sincerely,

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