



November 20, 2007

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

Speaker Nancy Pelosi
H-232, The Capitol
Washington, DC 20515

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

House Minority Leader John Boehner
H-204, The Capitol
Washington, DC 20515

Dear Leader Reid, Speaker Pelosi, Leader McConnell and Leader Boehner:

On behalf of The Technology Network (TechNet) and the National Venture Capital Association (NVCA) we would like to thank you for your leadership in developing legislation to address our nation's energy challenges. NVCA and TechNet members recognize the challenge of ensuring a sound energy future.

As you continue your work on this important energy legislation, we would like to reiterate our support for federal tax reform that spurs the development and adoption of new energy technology solutions. Specifically, we urge you to pass legislation this year that fundamentally reforms federal energy tax policy through a technology neutral approach that accelerates the development and commercialization of the most effective green technologies and innovations. This reform would include:

- Long-term extension of the Investment Tax Credit (ITC) for solar and fuel cell technologies and removal of the current caps on residential solar and commercial fuel cell systems. To drive substantial private sector investment, stable, long-term and predictable incentives are necessary to allow for economies of scale in the development, deployment and cost of renewable energy sources.
- Establishment of technology neutral tax credits and incentives for next-generation biofuels, spurring development of novel, next-generation biofuels that offer strong energy and environmental advantages.

By adopting tax policy that spurs U.S.-based innovation in energy technologies, our nation can chart a sound energy future that preserves our economic competitiveness, national security and the global environment.

Our nation is at a unique inflection point – it is now within our reach to shift our economy to one that is based on clean energy production, generation and use. But without the certainty of a rational tax policy that drives investment and allows for economies of scale in the development, deployment and cost of renewable energy sources, substantial private sector investment and large-scale adoption of new technologies will not continue. The opportunity to create new opportunities for U.S. leadership in the international market for energy innovations, and domestic economic growth in a critical sector will be lost.

We appreciate your bold approach to shifting our nation's economy from one fueled predominantly by oil to one that relies on a balanced mix of alternative energies and new technologies. This legislation represents one of this Congress's most important initiatives and we hope that you will place your wholehearted support and leadership towards enactment of the energy tax provisions. We stand ready to assist your efforts in support of this important legislation.

Sincerely,

John Doerr
Co-Founder, TechNet
Partner
Kleiner Perkins Caufield & Byers
Menlo Park, CA

Mark G. Heesen
President
NVCA
Arlington, VA

Lezlee Westine
President & CEO
TechNet
Washington, DC

Michael McAdams
Executive Director
Advanced Biofuels Coalition
McLean, VA

Robert Abernethy
President
American Standard Development Company
Los Angeles, CA

Ron Yokubaitis
Chairman
Data Foundry, Inc.
Austin, TX

John Melo
CEO
Amyris Biotechnologies
Emeryville, CA

Paul R Gudonis
President
FIRST
Manchester, NH

Kinkead Reiling
Founding Scientist & President
Amyris Biotechnologies
Emeryville, CA

Trevor Loy
Managing Partner
Flywheel Ventures
Santa Fe, NM

Mike Splinter
President and CEO
Applied Materials
Santa Clara, CA

Pat Gruber
CEO
GEVO
Pasadena, CA

Robert E. Fishman
CEO
Ausra, Inc.
Palo Alto, CA

Andrew Perlman
CEO
GreatPoint Energy
Des Plaines, IL

KR Sridhar
Founder & CEO
Bloom Energy
Sunnyvale, CA

Todd Glass
Chair, Energy Practice Group
Heller Ehrman Venture Law Group
Seattle, WA

Jon Karlen
Principal
IDG Ventures Boston
Boston, MA

Mark J Zanoli
Managing Director
JPMorgan
San Francisco, CA

John Denniston
Partner
Kleiner Perkins Caufield & Byers
Menlo Park, CA

Ray Lane
Partner
Kleiner Perkins Caufield & Byers
Menlo Park, CA

Robert Walsh III
President
LS9
San Carlos, CA

Rob Soni
General Partner
Matrix Partners
Waltham, MA

Joseph Laia
President and CEO
Miasole
Santa Clara, CA

Erik Straser
General Partner
Mohr Davidow Ventures
Menlo Park, CA

Marianne Wu
Partner
Mohr Davidow Ventures
Menlo Park, CA

Will Coleman
Partner
Mohr Davidow Ventures
Menlo Park, CA

Sven Stroband
Partner
Mohr Davidow Ventures
Menlo Park, CA

William G. Shaw
Senior Managing Director
NASDAQ
New York, NY

Krishna S. Kolluri
General Partner
New Enterprise Associates
Menlo Park, CA

Mitch Zuklie
Partner
Orrick, Herrington & Sutcliffe
Menlo Park, CA

Joseph Alsop
CEO
Progress Software
Bedford, MA

David J. Prend
Partner
RockPort Capital Partners
Boston, MA

Harry W Kellogg
Vice Chairman
Silicon Valley Bank
Palo Alto, CA

Chuck Moran
President & CEO
SkillSoft
Nashua, NH

Robert Farnsworth
CEO
Sonnet Technologies, Inc.
Irvine, CA

Kim Polese
CEO
SpikeSource
Redwood City, CA

Robert W. Stearns
Managing Director
Sternhill Partners
Houston, TX

Aart de Geus
Chairman and CEO
Synopsis
Mountain View, CA

Eric Apfelback
CEO
Virent Energy Systems
Madison, WI

Cc: Senator Jeff Bingham, *Chairman, Energy and Natural Resources Committee*
Senator Pete Domenici, *RMM, Energy and Natural Resources Committee*

Senator Max Baucus, *Chairman, Finance Committee*
Senator Chuck Grassley, *RMM, Finance Committee*

Senator Tom Harkin, *Chairman, Agriculture, Nutrition and Forestry Committee*
Senator Saxby Chambliss, *RMM, Agriculture, Nutrition and Forestry Committee*

Congressman John Dingell, *Chairman, Energy and Commerce Committee*
Congressman Joe Barton, *RMM, Energy and Commerce Committee*

Congressman Charles Rangel, *Chairman, Ways And Means Committee*
Congressman Jim McCrery, *RMM, Ways And Means Committee*

Congressman Collin Peterson, *Chairman, Agriculture Committee*
Congressman Bob Goodlatte, *RMM, Agriculture Committee*