



February 26, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

Dear Senator Reid:

The nation remains focused on the need to address urgent economic challenges, including the immediate need to maintain and generate jobs. As Congress considers jobs creation legislation to address these economic challenges, the Business Council for Sustainable Energy (BCSE) strongly urges you to **extend the start of construction deadline in the grant in lieu of a tax credit program created in section 1603 of the American Recovery and Reinvestment Act (ARRA)**. This extension is imperative to creating renewable jobs this year and allowing renewable energy industries to realize the growth potential envisioned under the ARRA.

The Business Council for Sustainable Energy is an industry coalition that includes businesses and trade associations representing the suite of currently available energy technologies for reducing emissions of greenhouse gases. Biogas, biomass, geothermal, hydropower, solar, wind, and other renewable energy options, combined with supply-side and demand-side energy efficiency and natural gas, are proven economic engines that will foster economic growth and create new high-quality jobs. Industry analyses and the government's own studies show that these existing clean energy technologies and resources can provide a significant percentage of the nation's energy needs while creating thousands of jobs in all regions of the country. The energy efficiency and clean energy investments begun in 2009 by the ARRA created opportunities and incentives for clean energy industries and helped to demonstrate that carbon reduction policies do not have to result in costly regulation. However, more needs to be done to create jobs and sustain the economic growth opportunities in the ARRA.

Section 1603 of the ARRA authorizes the Department of Treasury to issue grants to renewable energy facilities that would otherwise qualify for the investment tax credit which are completed in 2009 or 2010 or start construction in 2009 or 2010 and are completed by a deadline. The two-year extension would have the effect of moving the commence construction date to December 31, 2012. Designed to take the place of the decimated tax equity market, the Treasury Grant Program enabled renewable energy industries to survive 2009 and install record numbers of new clean energy systems. Today, the economy is recovering, but slowly. A two-year extension of the deadline to start construction of new renewable energy projects in the Treasury Grant Program would maintain this momentum, avoid a decline in the renewable industry, and jumpstart clean energy projects and jobs nationwide.

The renewable energy industries, including hydropower, solar and wind, are unanimous in identifying an extension of the Treasury Grant Program as a top priority in a jobs bill. The extension will directly translate into thousands of jobs all over the country. We look forward to working with you to enact jobs legislation to address this critical issue. If you have any questions or comments, please feel free to contact me in the Council's offices.

Sincerely,



Lisa Jacobson, President
Business Council for Sustainable Energy



Denise A. Bode, Chief Executive Officer
American Wind Energy Association



Linda Church Ciocci, Executive Director
National Hydropower Association



Karl Gawell, Executive Director
Geothermal Energy Association



Rhone Resch, President and CEO
Solar Energy Industries Association

CC: Members of the United States Senate