



August 2, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

Dear Senator Reid:

I am writing to express The Solar Energy Industries Association's strong opposition to the proposed rescission of \$1.5 billion from the Department of Energy (DOE) Loan Guarantee Program (Section 1705) in an amendment to the FAA authorization you have proposed. The funds at issue would support the development of \$15 billion in clean energy projects and countless domestic jobs.

The American Recovery and Reinvestment Act amended the original DOE Loan Guarantee Program, authorizing a new temporary program for rapid deployment of renewable energy and electric power transmission projects that commence construction by September 30, 2011. Last year Congress redirected \$2 billion to fund the "Cash for Clunkers" program. The loss of another \$1.5 billion of funding for this temporary program will severely limit the number of awards that can be made, thereby undermining the usefulness of the program and restricting the amount of renewable energy that can be deployed prior to the "commence construction" deadline of September 30, 2011.

Last month President Obama announced two conditional loan guarantees awarded to solar companies – one for a solar power plant in Arizona, and one for solar manufacturing facilities in Colorado and Indiana. There are dozens of projects like these waiting for loan guarantees from DOE. Rescinding funding at this juncture would be devastating to the solar industry's efforts to install carbon-free generation around the country.

We welcome the opportunity to discuss these matters in further detail with you or members of your staff. Thank you for your continued leadership efforts on policies to deploy renewable energy.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel M. Adamson", with a long horizontal flourish extending to the right.

Daniel M. Adamson
Vice President, Government Affairs
Solar Energy Industries Association

cc: Senator Murray