

November 10, 2010

The Honorable Barack H. Obama President of the United States The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

Re: Clean Energy Choices after the Election

Dear President Obama,

Following the recent mid-term election, you face difficult choices regarding what clean energy policy proposals to pursue. Indeed, in your post-election press conference, you acknowledged the loss of cap and trade and called for "other means to address this problem...ways we can make progress in the short term and invest in technologies in the long term."

Clean Energy Group (CEG), a national nonprofit energy organization, believes that progress is possible, if we look beyond Washington for answers. What is needed is a practical and bottom-up clean energy policy consisting of short-term measures to increase new technology investment in the long term – essentially what you have called for and a strategy that may well have bipartisan appeal.

We call for energy pragmatism as the guiding principle behind a series of recommendations on clean energy policy detailed in a report released today, "<u>Innovation to Infrastructure: Clean Energy without Cap and Trade</u>." In this paper, we urge you to consider the following proposals, which would entail no new federal funds and no new major federal legislation:

- Reprogram about \$1 billion in existing federal funds for energy toward more effective clean energy innovation, finance, and deployment strategies.
- Require federal agencies to commit existing procurement authority to purchase \$1 billion of power from new clean energy technologies.
- Engage in a "clean energy federalism" partnership with the states.

While these measures will not solve all clean energy problems, these short-term strategies are critical to overcoming major problems in the areas of technology innovation, finance, and deployment and to producing long-term success. We are convinced these focused strategies can produce major benefits, based on ideas from outside Washington that have succeeded or are under development in the corporate sector as well as in the states, which have always led on clean energy and have demonstrated a dynamism and ability to manage local risk. Their work deserves much greater support through funding and more partnerships with the federal government.

We thank you for your leadership on clean energy. In this economically constrained era, we hope these proposals will provide you with some new directions on clean energy policy that might open up avenues for broader public support and bipartisan cooperation with the new Congress.

We look forward to a stronger dialogue with your agency officials on these ideas.

Respectfully,

LMJ/ Lewis Milford, Esq.

President

Clean Energy Group

Cc: Carol Browner, Aneesh Paul Chopra, Melody Barnes