



ENVIRONMENTAL DEFENSE FUND

finding the ways that work

May 18, 2009

The Honorable Henry Waxman
United States House
Washington, D.C. 20515

The Honorable Edward Markey
United States House
Washington, D.C. 20515

Dear Messrs. Chairmen,

On behalf of Environmental Defense Fund and its more than 500,000 members, I want to congratulate you on the introduction of the American Clean Energy and Security Act, and thank you for your commitment to bring the bill to a vote in your committee before Memorial Day.

The chairman's mark includes a strong cap on carbon pollution and a smart plan to protect family budgets and economic competitiveness. Your careful consideration of the input of a diverse group of stakeholders has produced legislation that can win the support of not only environmentalists and business, but also the mixture of regional interests that make up the Congress.

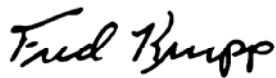
As President Obama said, and we agree, the chairman's mark reflects an "historic agreement" that sets the stage for Congress to cap greenhouse gas pollution, begin to break our dependence on foreign oil, and create millions of new jobs. Companies across America are ready to build the clean energy technologies we need to grow the economy and protect the climate; a cap will unleash the private-sector investment they need get going. The short-term targets in the bill help ensure that investments are made quickly, and they increase our chances of minimizing climate impacts by kick-starting the transition to low-carbon energy sources.

Protecting consumers from volatile energy prices during that transition is essential. We believe the American Clean Energy and Security Act's provisions to ensure that end-use energy consumers receive a significant amount of the value of emissions permits under the cap is an effective and efficient way to keep electricity rates low. According to the Environmental Protection Agency, a well-designed cap that returns value to consumers can be achieved for as little as \$98 per household per year – about a dime a day per person.

No single bill can fully address the energy and climate challenges we face, but the American Clean Energy and Security Act is a strong step forward. It represents what may be the best opportunity we have as a nation to take that first critical step and lead a global agreement to reduce greenhouse gas emissions.

As introduced, the bill would put the U.S. on an ambitious but achievable schedule for emissions reductions, protect consumers during the shift to low-carbon energy, and accommodate the nation's diverse needs and interests. Because of that, we are optimistic it can win the support of the House and serve as a template for quick Senate action as well. There will be efforts to strengthen the bill as it moves forward, and undoubtedly efforts to weaken it, and we stand ready to work with you and the congressional leadership to deliver a strong bill to the President's desk this year.

Sincerely,

A handwritten signature in black ink that reads "Fred Krupp". The signature is written in a cursive, slightly slanted style.

Fred Krupp
President
Environmental Defense Fund