



May 18, 2009

Dear Member of the House Energy & Commerce Committee:

As the Energy & Commerce Committee proceeds to mark-up landmark legislation in the form of the American Clean Energy & Security Act, the National Venture Capital Association urges you to be sure that the final bill reported out of committee includes several key provisions.

First, we believe that the new energy economy requires a robust Renewable Electricity Standard (RES). A strong RES will ensure a market for renewable energy suppliers and in so doing will drive the research, development and deployment of new technologies that can produce clean electricity at an affordable price.

Second, we believe the Clean Energy Innovation Centers (sometimes referred to as “Energy Innovation Hubs”) funded through the bill will also have a catalytic effect on the pace of clean energy research, development, and commercialization. These Clean Energy Innovation Centers represent a powerful public/private partnership that will advance strong cleantech clusters across the United States, bringing universities, investors and our brightest inventors together to jumpstart the commercialization of viable technologies. The funding gap that exists in the early stages of the technology supply chain is well-established. These Centers will address this gap head on, substantially increasing the capacity of key regions within the U.S. to research, develop, and bring to market the innovative technologies necessary to transform our energy infrastructure.

Finally, we support additional funding for ARPA-E programs and Energy Frontier Research Centers which are truly complementary to the initiatives described above. In 2008, venture capitalists invested more than \$4.6 billion into clean technology businesses that are innovating in the wide ranging areas of alternative energy such as solar, coal gasification, geothermal, and biofuels as well as green building materials, batteries, transportation, and carbon capture and sequestration. Many of these companies have and will be founded on discoveries made through basic, government funded research.

All of the above efforts pave the way for the new energy economy driven by the research, development, and deployment of technologies that will create millions of new jobs in the United States, drastically cut carbon dioxide emissions, and take giant leaps toward energy independence. We thank you for your support.

Sincerely,

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