The Clean Energy Group
Clean Air Policy Initiative

May 28, 2008

The Honorable Barbara Boxer
Chairman, U.S. Senate Committee on Environment and Public Works
United States Senate
112 Hart Senate Office Building
Washington, DC 20510

The Honorable Joseph I. Lieberman
Chairman, Subcommittee on Private Sector and Consumer Solutions to Global Warming and Wildlife Protection
United States Senate
706 Hart Senate Office Building
Washington, DC 20510

The Honorable John Warner
Ranking Member, Subcommittee on Private Sector and Consumer Solutions to Global Warming and Wildlife Protection
United States Senate
225 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Boxer and Senators Lieberman and Warner:

The Clean Energy Group's Clean Air Policy Initiative members have been among the earliest proponents of federal legislation to mandate the reduction of greenhouse gas emissions. We believe the Boxer-Lieberman-Warner Substitute to The Climate Security Act, S. 3036, provides a solid framework for creating a national, mandatory program to reduce greenhouse gas emissions, and we hope the Senate will proceed to debate and pass legislation on this important topic.

Our members serve the energy needs of households and businesses throughout the United States and are some of the largest electric and natural gas utilities in the U.S., serving a combined 57 million electric customers and more than 8.3 million gas customers. Several of these companies are also some of the nation's largest generators of electricity, with nearly 170,000 megawatts of generating capacity throughout the U.S. (greater than 20% of total generation of the top 100 U.S. investor-owned generators). Our current members include Avista Corporation, Calpine Corporation, Constellation Energy, Entergy Corporation, Exelon Corporation, FPL Group, National Grid, PG&E Corporation, and Public Service Enterprise Group.

Michael J. Bradley
Director
The Clean Energy Group
47 Junction Square Drive
Concord, MA 01742

978-369-5533
978-369-7712
mbradley@mjbradley.com

Jackie Carney
Legislative Director
505 Capitol Court N.E.
Suite 200
Washington, DC 20002

202-543-0873
202-548-2343
jackie@thecleanenergygroup.com

We support a market based regulatory approach that is both fair and effective and that rewards efficiency and technology innovation. We believe any allocation must recognize the value of low- and non-emitting forms of generation and should not reward the highest emitters. While we will continue to work to ensure that federal climate change policy achieves these key objectives, we applaud your efforts on The Climate Security Act.

The bill calls for meaningful reductions in greenhouse gas emissions that are vitally important to address climate change. The emission reduction targets and timetables included in The Climate Security Act will establish a consistent and clear price for carbon, which is essential to create the right market signal to drive the necessary advanced technology to transition the U.S. to a low-carbon economy. The bill also provides important funding for zero- and low-carbon technology as well as funding to encourage the commercialization of carbon capture and sequestration for coal-fired generation.

Additionally, the bill takes an important first step toward promoting increased energy efficiency and recognizes the need for a well-designed mechanism for mitigating adverse economic impacts to low-income and middle-income electricity and natural gas consumers. We also believe the bill includes important flexibility and cost-containment measures and additional clarity regarding states' role in addressing climate change.

Again, we applaud your efforts on this important topic and look forward to continuing to work with you and your staff.

Sincerely,

Michael J. Bradley
Director
The Clean Energy Group

cc:
Bettina Poirier
David McIntosh
Chelsea Maxwell