January 22, 2010

The Honorable Mike Thompson United States Congress 221 Cannon House Office Building Washington, DC 20515

Re: The STORAGE Act

Dear Congressman Thompson:

On behalf of the undersigned organizations, we are writing to express our strong support for the STORAGE Act. As America moves toward a new, clean energy economy, renewable energy tax incentives are critical to promoting the transition to this economy. The investment tax credit and Clean Renewable Energy Bonds provided by the STORAGE Act will address the overlooked issue of storing renewable energy and spur development of energy storage technologies.

Achieving significant carbon emission reductions requires, among other things, significant grid integration of large-scale renewable resources. Energy storage technologies are strategic tools to manage variability and assist with power system integration of renewable energy. Energy storage enables the integration of large amounts of variable and non-peak renewable resources, provides ancillary services, manages peak demand, and relieves transmission and distribution congestion. Storage systems consist of a broad range of technologies, from large-scale pumped hydro, compressed air energy storage (CAES) and thermal energy storage systems to distributed systems such as batteries and flywheels. Rapid deployment of these technologies offer significant potential to reduce the nation's dependence on conventional fossil plants, while lowering production costs and enhancing reliability of the electric grid.

The technologies produced by these industries play a vital role in reducing global warming pollution, creating new green collar American jobs, spurring economic growth and saving consumers and businesses money on their energy bills. The investment tax credit for energy storage facilities and equipment is necessary to create a market demand for energy storage technologies.

It is critical that Congress provide the correct investment and policy incentives to guarantee the deployment of clean energy resources. We urge you to do all that you can to get this legislation passed and we looking forward to working with you to build support for the STORAGE Act.

Sincerely,

Alliant Energy Corporation ALLETE/Minnesota Power Alstom Power Inc. Ameren Corporation American Electric Power American Hydro Corporation Avista Brookfield Renewable Power Business Council for Sustainable Energy CA Energy Storage Alliance

CALMAC Manufacturing Corporation CMS Energy **Consumers Energy** The Coalition to Advance Renewable Energy through Bulk Storage (CAREBS) Dominion **Duke Energy** Eagle Crest Energy **Edison Electric Institute** Electric Power Supply Association **Electricity Storage Association Energy Future Holdings** FirstEnergy Corporation Free Flow Power General Compression Grant PUD Hatch Acres Corporation HDR|DTA Hydro Performance Processes, Inc **IEEE-USA** National Grid MidAmerican Energy Holdings Company NATGUN Corporation National Hydrogen Association National Hydropower Association National Rural Electric Cooperative Association NEMA Energy Storage Council Northwest Hydroelectric Association Pacific Gas & Electric Company Portland General Electric Power Tree Corporation **Primus Power Progress Energy** Public Service Enterprise Group **ReVolt Technology Riverbank Power Corporation** Sempra Energy Southpoint Energy The AES Corporation The National Hydrogen Association Trane Ultralife Corporation United Illuminating Company Voith Hydro, Inc. **Xcel Energy**