

JEFF BINGAMAN, New Mexico, *Chairman*  
RON WYDEN, Oregon  
TIM JOHNSON, South Dakota  
MARY L. LANDRIEU, Louisiana  
MARIA CANTWELL, Washington  
BERNARD SANDERS, Vermont  
DEBBIE STABENOW, Michigan  
MARK UDALL, Colorado  
JEANNE SHAHEEN, New Hampshire  
AL FRANKEN, Minnesota  
JOE MANCHIN, III, West Virginia  
CHRISTOPHER A. COONS, Delaware  
LISA MURKOWSKI, Alaska  
RICHARD BURR, North Carolina  
JOHN BARRASSO, Wyoming  
JAMES E. RISCH, Idaho  
MIKE LEE, Utah  
RAND PAUL, Kentucky  
DANIEL COATS, Indiana  
ROB PORTMAN, Ohio  
JOHN HOEVEN, North Dakota  
BOB CORKER, Tennessee

ROBERT M. SIMON, STAFF DIRECTOR  
SAM E. FOWLER, CHIEF COUNSEL  
McKIE CAMPBELL, REPUBLICAN STAFF DIRECTOR  
KAREN K. BILLUPS, REPUBLICAN CHIEF COUNSEL

# United States Senate

COMMITTEE ON  
ENERGY AND NATURAL RESOURCES

WASHINGTON, DC 20510-6150

[ENERGY.SENATE.GOV](http://ENERGY.SENATE.GOV)

May 17, 2011

The Honorable Steven Chu  
Secretary of Energy  
1000 Independence Ave., SW  
Washington, DC 20585

Dear Secretary Chu:

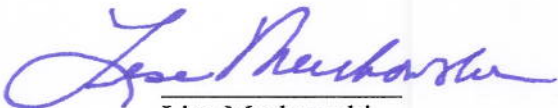
We write in support of a proposal by the National Academy of Sciences' board on Science, Technology, and Economic Policy (STEP) to undertake a study on the Federal role in catalyzing the commercial-scale deployment of new energy technologies. This study will serve as an invaluable tool for the Department of Energy, Congress, and others when creating policies and programs to strengthen America's energy security, make our nation less dependent on energy imports, and create new employment opportunities in this important sector of our economy.

As you know, American companies face enormous challenges in bringing new energy technologies to market, even after they are proven through R&D. Financing the first scale deployment of a new energy production system or early-stage component manufacturing – moving from late-stage venture capital financing to full-scale commercial diffusion – involves new risks and uncertainty and often requires long spans of time to provide financial returns. This leaves firms with technologically viable products unable to obtain financing through banks and other financial institutions.

Some industry analysts, executives, and financiers believe that the private sector cannot solve this problem on its own, and that government action is required. Such intervention has historical precedent in other industries such as aeroderivative turbines, semiconductor chips, nuclear reactors, and the fossil fuel industries. For over a decade the governments of China, Japan, Germany and other nations have taken significant steps to bolster the development of their native clean energy industries. U.S. companies that once dominated global clean tech markets now lag behind their international competitors. The U.S. market needs a robust, comprehensive, and coherent Federal policy structure to help propel it from lagging to leading.

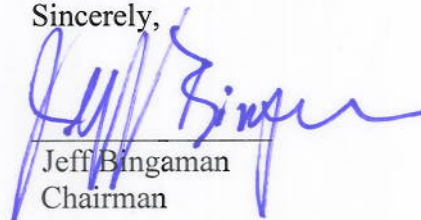
The National Academies has an unequalled reputation for providing the government with independent, objective, and thorough advice since 1863. Following in this tradition, the STEP board's study will provide administrators, legislators, and other decision-makers with key information to understand market issues, what public good will come from federal policies, and what initiatives the federal government may undertake, at the legislative or agency level, to catalyze the deployment of new energy technologies.

America cannot afford to fall further behind in this crucial industry. Thus we request that this National Academies study be given the Department of Energy's strongest funding priority and thank you in advance for your attention to this matter.



Lisa Murkowski  
Ranking Member

Sincerely,



Jeff Bingaman  
Chairman