



October 31, 2011

The Honorable Debbie Stabenow  
U.S. Senate  
Room 328-A  
Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Frank Lucas  
U.S. House of Representatives  
1301 Longworth House Office Building  
Washington, DC 20515

The Honorable Pat Roberts  
U.S. Senate  
109 Hart Senate Office Building  
Washington, DC 20510

The Honorable Collin C. Peterson  
U.S. House of Representatives  
1305 Longworth House Office Building  
Washington, DC 20515

Dear Senators Stabenow and Roberts and Representatives Lucas and Peterson:

Clean Energy States Alliance (CESA), a coalition of the leading state-based renewable energy programs, writes to express our strong support for agriculture-based energy programs and policies in a new Farm Bill.

In the last ten years, CESA's members<sup>1</sup>, collectively, have invested over \$3.5 billion dollars of state-based funding in more than 100,000 renewable energy projects. A significant portion of this state funding was used to support financing of farm-based renewable energy systems. And despite the economic and budget challenges facing states today, CESA's state members continue to provide substantial financial support for deployment of renewable energy projects, recognizing its importance to economic growth. However, the states cannot do this alone. They need the support and partnership of the U.S. Department of Agriculture and the innovative programs authorized in the Energy Title of the 2008 Farm, Conservation, and Energy Act if progress on rural clean energy deployment is to continue.

It is important to note that most of the rural clean energy projects being deployed today are supported by a *combination* of state and federal program funding. For example, the federal investment in the Rural Energy for America Program (REAP) has leveraged significant state-based funding and investment, resulting in the financing of thousands of diverse renewable energy projects across rural America. In fact, one of the largely unnoticed benefits of the 2008 Farm Bill's Energy Title is its catalyzing role in ensuring states continue to invest state dollars in rural clean energy projects.

As just one example, from 2005-2010, the Energy Trust of Oregon (the state of Oregon's clean energy program) funded 49 rural renewable energy projects that were made possible by a

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<sup>1</sup> CESA's members include the California Energy Commission, the Energy Trust of Oregon, the Connecticut Clean Energy Finance and Investment Authority, the New York State Energy Research and Development Agency, the Massachusetts Clean Energy Center, the Maryland Energy Administration, and the Alaska Energy Authority. See [www.cleanenergystates.org](http://www.cleanenergystates.org).

combination of USDA REAP funding and the State's clean energy incentives. In terms of leverage, USDA's REAP investment of \$1.8 million in these Oregon rural renewable energy projects leveraged \$2.7 million in state-based funding, and over additional \$5 million of private investment. This type of investment leverage by REAP funding has occurred in many other states, including California, Wisconsin, New York, Vermont, Massachusetts, and Iowa, to name just a few that CESA is familiar with.

Today, state and federal clean energy programs are over-subscribed, as the interest and demand for rural clean energy grows. Put simply, the states will be hard-pressed to meet this increasing demand for deployment of renewable generation on farms and in rural communities – without continued and stable federal support and leadership for clean energy in the next Farm Bill.

The benefits of the Energy Title also come at a very modest cost. Of all the programs authorized in the 2008 Farm Bill, the Energy Title programs account for less than 1% of total outlays.

In calling for continued Farm Bill support for clean energy, we fully recognize the significant budgetary constraints facing federal policymakers. We also understand that the deficit reduction effort will require considerable belt-tightening by many sectors of the federal government, including agriculture. However, as the House and Senate Agriculture Committees engage with members of the Joint Select Committee on Deficit Reduction and establish policy priorities within the next Farm Bill, we urge you to ensure that the Energy Title is preserved and receives robust funding if we are to tap the economic potential that rural clean energy represents for the nation.

Thank you for your consideration of our recommendation that the USDA receive adequate future Energy Title program resources to ensure a continued state/federal partnership in growing the emerging rural clean energy economy.

Sincerely,



Mark Sinclair  
Executive Director  
Clean Energy States Alliance

cc: Congressman Jeb Hensarling and Senator Patty Murray  
Joint Select Committee on Deficit Reduction