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Subject: News Flash: STORAGE Bill introduced in the House

Yesterday, Rep. Mike Thompson [D-CA-1] introduced the House version of the STORAGE bill, virtually identical to Wyden's Senate bill: H.R. 4210 Storage Technology of Renewable and Green Energy Act of 2009. It is cosponsored by Rep. David Wu [D-OR-1]. The House bill was referred to the Ways and Means Committee because it is a tax bill, just as the Senate bill, S. 1091, was referred to the Finance Committee.

The goal of the STORAGE Act is to offer incentives to foster innovation and deployment of energy storage technologies for the purposes of integrating intermittent renewable energy into the grid and to reduce peak demand. The bills do not limit the type of technology to be used because storage systems comprise a broad range of technologies, both large and small, from compressed air systems and flywheels to hydrogen power and batteries. Storage systems can be used in a variety of ways. The larger systems will likely be connected to the nation's electricity grid of generation, transmission, and distribution facilities.

Smaller systems will likely be used to store energy for industrial, commercial, and residential establishments. By providing tax incentives, the bill will create expanded use of energy storage technologies and help stimulate the wider use of renewable sources of energy.

The next steps are (1) to write letters of support and (2) to get co-sponsors for the bills. Please address your letters of support to the sponsor and co-sponsors of the bills as well as your own Senators and Representative. (As a reminder, the Senate bill is cosponsored by Senators Collins, Dorgan, Kerry, Menendez, and Shaheen.) We also need additional co-sponsors in both the House and the Senate, and we look for your help to do this. Congressional offices pay particular attention to companies, corporate organizations, and interest groups; so please encourage your colleagues and fellow members of your organizations to join this effort. The focus should be on the members of the House Ways and Means Committee and the Senate Finance Committee, although any and all co-sponsors would be helpful. You should also contact your own Senators and

Representative, of course.

For your information, I have attached copies of the two bills as well as an explanation of the bills. In addition, you should also note the following two recent events:

First, the *Wall Street Journal* published "Five Technologies That Could change Everything" on Monday, October 19, in a special section on energy. Two of the five technologies are energy storage technologies: utility storage and advanced car batteries. The article said that utility storage is needed for the "use-it-or-lose-it" wind and solar resources to "supply power when the sun isn't shining or the wind isn't blowing." Advanced car batteries could make electric vehicles more practical and could store energy at night when the demand for electricity is low. In many areas where wind is strongest at night, plug-in electric vehicles are ideal for storing the energy captured by wind turbines.

Second, the Department of Energy's ARPA-E announced on October 26 that they selected 37 projects "that could fundamentally change the way we use and produce energy." Seven of the projects were energy storage projects, and they represent 23% of the funds awarded. The DOE's press release said that the awards included "some [projects] that could allow intermittent energy sources like wind and solar to provide a steady flow of power ..."

I hope that you are as excited about the House bill as I am. I know that Congress is preoccupied with health care reform, but we need to get the STORAGE bill high in the queue so that it will receive prompt attention when Congress looks for the next important thing to work on.

Please let me know if you have any questions.

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