

February 17, 2006

The Honorable Bill Owens, Governor
The Honorable Joan Fitz-Gerald, President of the Senate
The Honorable Andrew Romanoff, Speaker of the House
State Capitol Building
Denver, Colorado 80203

Dear Governor Owens, President Fitz-Gerald and Speaker Romanoff:

I appreciate your bipartisan leadership on energy issues for the State of Colorado. I met with President Bush on Tuesday to discuss his "Advanced Energy Initiative." I look forward to working with our national leadership and with you, Colorado's state leadership, on a bold new effort to achieve energy independence and energy security for the nation.

In that regard, I wish to share with you a summary of a summit of national and state leaders on renewable energy that I convened in Denver just five weeks ago. Presenters at the summit included David Garman, Under Secretary, U.S. Department of Energy, Dan Arvizu, Director, National Renewable Energy Laboratory (NREL), Lee Edwards, President, BP Solar, John Hofmeister, President, Shell Oil Company, and state and local leaders on energy.

These presenters, and the summit attendees, offered current information and ideas for action on renewable energy, which deserve our careful consideration. I am pleased to enclose for your review a copy of the Report on the 2006 Colorado Renewable Energy Summit.

In light of the significance of renewable energy and new energy technologies to our national security, to our nation's and our state's economic competitiveness and to the future of rural and agricultural Colorado, I also offer six specific recommendations for an action plan to make Colorado the national center for renewable energy research, development and production. I request that you, as the State's leaders, act on or support the following recommendations:

1. Leverage the research capabilities and reputation of the National Renewable Energy Laboratory to elevate Colorado's renewable energy research institutions and industries by creating:

- a. A Colorado renewable energy research institute and business incubator, including the Colorado School of Mines, Colorado State University and the University of Colorado, in association with NREL, to facilitate the development of new renewable energy technologies and the transfer of emerging technologies from NREL and our state universities to the commercial sector; and
 - b. A state entity, such as a state renewable energy authority, with a secure funding source to provide grants, loans and other incentives to researchers and to producers of renewable energy.
2. Offer state tax credits for production within the State of Colorado of electric power and transportation fuels from renewable resources.
3. Establish a program to encourage the use of Colorado produced renewable energy in state and local government buildings and vehicles, including feasibility studies – and possible financial support – for:
 - a. The purchase and use of alternative fuels vehicles that use Colorado produced ethanol and biodiesel;
 - b. The use of community or locally owned wind power projects to serve government buildings, including courthouses, schools, health care centers and other public buildings; and
 - c. Pilot projects for conversion of local and state building boilers to use Colorado produced wood pellets from beetle-killed timber.
4. Permit utilities to consider values such as environmental impact and local economic development, in addition to cost, in purchasing power.
5. Offer state tax credits for the construction and retrofitting of buildings with qualifying energy efficient features.
6. Create a funding mechanism for energy conserving home improvements that will reduce long term energy consumption and energy bills.

Governor Owens, President Fitz-Gerald and Speaker Romanoff

February 17, 2006

Page 3

Thank you for your consideration of the attached report and my recommendations for action. I look forward to working with you to promote the goals of American energy independence and clean, renewable energy, and to make Colorado the national center for renewable energy research, development and production.

Sincerely,



Ken Salazar
United States Senator

Copies: Hank Brown, President, University of Colorado
Larry Penley, President, Colorado State University
John Trefny, President, Colorado School of Mines