



Consumer Federation of America

1620 I Street, N.W., Suite 200 \* Washington, DC 20006



November 5, 2009

The Honorable Barbara Boxer  
Chairwoman, Environment and Public Works Committee  
United States Senate  
Washington, DC

Dear Senator Boxer:

Consumers Union, Consumer Federation of America and National Consumers League have worked for decades to protect consumers. We applaud your leadership on S. 1733, The Clean Energy Jobs and American Power Act (CEJAPA), and look forward to working with you to ensure this monumental legislation protects both environmental and consumer interests. Consumers and the environment will benefit from a clean energy economy.

S. 1733 provides important consumer protections. We strongly support S. 1733's inclusion of residential consumers in the direct pass-through of emission allocations from local distribution companies (LDCs). Their inclusion dramatically strengthens consumer protection from potential abuse by LDCs and ensures that consumers actually gain from the allocation intended for their benefit. We are also very supportive of the establishment of an Office of Consumer Advocacy and urge you to authorize dedicated funding for this important representation for consumers.

Returning revenue from allowance auctions directly to consumers via rebates or dividends is a critical means of moderating potential energy price fluctuations for consumers. S. 1733 provides 15% of auction revenue directly to low- and moderate-income households to offset potential increases in the costs of energy and other goods and services. While we strongly support the inclusion of moderate income households, we are concerned that the current allocation is insufficient to adequately protect low- and moderate-income households and should be increased.

Increasing energy efficiency and diversifying the energy sector will provide consumers greater energy security and protect consumers against price spikes for energy derived from fossil fuels. The public health benefits from cleaner energy generation also cannot be understated. Efficiency and renewable energy mandates and funding for development of cleaner technologies will go a long way in easing the costs of a transition to a cleaner economy. Strong building efficiency codes and appliance standards, plug-in hybrid electric vehicles (PHEV) funding and coordination, weatherization funding, and the Residential Energy Efficiency Project (REEP) program are all essential for moderating any increased energy costs for consumers and should be included in the Senate's final energy package. Your bill is a strong leap forward toward this worthy goal.

The costs of inaction are staggering—in contrast, a new comprehensive energy policy provides an enormous opportunity to develop a greener economy, increase consumer choice, and stabilize energy prices. We thank you for your important work on these critical issues and hope to assist you in moving a strong bill forward in the coming months.

Sincerely,



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Sally Greenberg  
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cc: Senator John Kerry, Chairman of Senate Foreign Relations Committee  
Senator Jeff Bingaman, Chairman of Senate Energy and Natural Resources Committee  
Senator Max Baucus, Chairman of Senate Finance Committee  
Senator Blanche Lincoln, Chairwoman of Senate Agriculture, Nutrition, and Forestry Committee