



## WESTERN GOVERNORS' ASSOCIATION

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July 29, 2010

The Honorable Byron Dorgan  
Chairman, Subcommittee on Energy &  
Water Development  
Senate Committee on Appropriations  
186 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Robert Bennett  
Ranking Member, Subcommittee on  
Energy & Water Development  
Senate Committee on Appropriations  
188 Dirksen Senate Office Building  
Washington, DC 20515

The Honorable Peter J. Visclosky  
Chairman, Subcommittee on Energy &  
Water Development  
House Committee on Appropriations  
2362B Rayburn House Office Building  
Washington, DC 20510

The Honorable Rodney Frelinghuysen  
Ranking Member, Subcommittee on Energy  
& Water Development  
House Committee on Appropriations  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Senators Dorgan and Bennett and Representatives Visclosky and  
Frelinghuysen:

On behalf of the Western Governors' Association (WGA), we are writing to express our support for increasing federal loan guarantee authority for new nuclear development by \$36 billion, as proposed in President Obama's FY 2011 budget request. This increased loan guarantee volume will encourage the kind of clean and reliable electric power that will ensure the long term economic and environmental sustainability of the West.

The requested additional loan volume is consistent with Energy Policy Resolution 10-14 which was unanimously adopted at WGA's 2010 annual meeting. Among other recommendations, the resolution calls for the expansion of the federal loan guarantee program to allow future private sector investment in new nuclear projects, and for the expedited issuance of loan guarantees in all energy sectors. The loan guarantee program is authorized by Title XVII of the Energy Policy Act of 2005 to promote innovative technologies in the electricity sector that avoid, reduce or sequester greenhouse gas emissions.

For many years, WGA has provided innovative integrated environmental and energy stewardship for the West. In June 2006, Western Governors provided a policy blueprint for the region with the groundbreaking report, *Clean and Diversified Energy for the West*. The present economic downturn has underscored the necessity for focusing with greater urgency on those strategies that will create not just a cleaner environment, but private sector investment that will return Americans to the workforce in quality, high-paying jobs.

According to the Nuclear Energy Institute the commercial nuclear energy sector procures nearly \$15 billion in goods and services each year from every state in the Nation. In just the past three years, private investment exceeding \$4 billion in the domestic nuclear supply chain has created some 16,000 jobs in anticipation of a new wave of U.S. nuclear plant construction, partly in response to the \$18.5 billion in federal loan guarantee authority provided by Congress. Increasing that authority by an additional \$36 billion, as the Administration has proposed, would trigger faster development of the nuclear supplier infrastructure and workforce, as contemplated by the WGA resolution. The clean energy loan

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guarantee program protects taxpayers while providing the necessary financing support that will maximize the job creation potential of the Nuclear Renaissance.

Western Governors fully support the President's request for \$36 billion for new nuclear projects, which should enable the financing of six to nine additional new reactors beyond those already covered under previous authority. We have attached our recent policy resolution for your review.

Sincerely,

A handwritten signature in dark ink, appearing to read "C.L. Butch Otter". The signature is fluid and cursive, with the first name "C.L." and the last name "Otter" being more legible than the middle name "Butch".

C.L. "Butch" Otter  
Governor of Idaho  
Chairman

A handwritten signature in dark ink, appearing to read "Chris Gregoire". The signature is fluid and cursive, with the first name "Chris" and the last name "Gregoire" being more legible than the middle initial "O.". The signature is written in a slightly slanted, upward position.

Christine O. Gregoire  
Governor of Washington  
Vice Chair

Attachment

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