United States Senate

WASHINGTON, DC 20510

October 26, 2007

The Honorable Samuel W. Bodman Secretary of Energy 1000 Independence Avenue, S.W. Washington, D. C. 20585

Dear Secretary Bodman:

In his 2003 State of the Union Address, President Bush announced a \$1.2 billion Hydrogen Fuel Initiative to reverse America's growing dependence on foreign oil by developing the technology needed for commercially viable hydrogen-powered fuel cells by 2020. Hydrogen holds the potential to power cars, trucks, homes, and businesses without producing pollution or greenhouse gases at their end uses. We request that the potential of hydrogen be recognized in the President's Fiscal Year 2009 budget.

The Energy Policy Act of 2005 (EPACT) codified the Hydrogen Fuel Initiative and reinforced the President's timeline. However since the passage of EPACT, the administration has requested funding for the hydrogen program at levels significantly below what was authorized. EPACT broadened your authority to accelerate the research, development and demonstration process toward commercialization; made the Federal Government a more reliable partner in ambitious public/private partnerships; and gave the program permanent authority beyond the five-year span of the President's Hydrogen Fuel Initiative.

As supporters of Hydrogen and Fuel Cell technologies we strongly encourage you to take advantage of this authority in the Fiscal Year 2009 budget. For Fiscal Year 2008, the Senate Energy and Water Subcommittee on Appropriations increased hydrogen funding by \$15 million, even with strict allocation constraints. The program is authorized at a level of \$872 million in Fiscal Year 2009, and we urge you to request more robust funding to demonstrate your continued commitment to the President's Hydrogen Fuel Initiative. EPACT 2005 funding levels for Fiscal Year 2009 are attached.

We are encouraged by the progress that has been made in bringing hydrogen to market. However, the hydrogen program is at a crossroads. If hydrogen is to become a significant part of our energy future, the investment needs to be made now. We look forward to working with you to achieve our mutual goal.

Sincerely,

Byron L. Dorgan

Co-chair

Lindsey O. Graham

Co-chair

Attachment

Under <u>TITLE VII—VEHICLES AND FUELS</u> the following funding levels were authorized in EPACT 2005.

Citation	Description	FY2009 EPACT
		2005 Authorized
		Funding Level
Subtitle A – Existing	Joint Flexible Fuel/Hybrid Vehicle	
Programs - SEC. 706.	Commercialization Initiative	\$ 20,000,000
Subtitle B - Part 3— SEC.	Fuel Cell Transit Bus Demonstration	
731		\$ 10,000,000
Subtitle F—SEC. 782	Federal and State Procurement	\$ 25,000,000
Subtitle F- SEC. 78	Federal Procurement of Stationary,	
	Portable, and Micro Fuel Cells	\$ 100,000,000
	Total EPACT 2005 Authorizations	\$ 150,000,000

Under <u>TITLE VIII – HYDROGEN</u> the following funding levels were authorized in EPACT 2005.

Citation	Description	FY2009 EPACT
Accessed to the second	·	2005 Authorized
Parlicion		Funding Level
SEC. 805	Hydrogen Supply	\$230,000,000
SEC. 805	Fuel Cell Technologies	\$180,000,000
SEC. 808	Demonstrations - Cost Shared Grants	\$300,000,000
SEC. 809	Codes and Standards	\$ 10,000,000
SEC. 811	Reports	\$ 1,500,000
	Total EPACT 2005 Authorizations	\$721,500,000

oseph I. Lieberman U.S. Senator

Christopher J. Dodd U. S. Senator

U. S. Senator

U.S. Senator

Cc: The Honorable Jim Nussle, Director, Office of Management and Budget Attachment