

MAY 2011

**RIDING THE ENERGY WAVE:
ENGAGING CONGRESS ON MECHANICAL INSULATION PRIORITIES**

Dear Member—

In recent weeks, members of Congress have proposed competing energy solutions for reducing gas prices, largely in response to their constituents who, like many of us, are growing increasingly concerned about high prices at the pump. While our nation's energy future and security is a critical issue, unfortunately many of the proposed approaches will not directly impact gas prices—nor make a difference in the short term. The heated debates on gas prices and offshore drilling, as well as federal spending and the debt limit, have created an impasse on Capitol Hill, slowing down the consideration of common-sense bipartisan initiatives like our mechanical insulation tax incentive legislation. Still, the current energy conversation, coupled with the ongoing need to create American jobs, are providing several opportunities for us to promote our cause.

In light of Congress' current wariness of any legislation with a price tag attached to it, Senator Kirsten Gillibrand (D-NY), last year's Senate champion for the Mechanical Insulation Installation Incentive Act, plans to wait for the intense spending debate to calm before reintroducing this legislation. In the meantime, we are continuing to promote mechanical insulation on Capitol Hill. We believe our current advocacy efforts will help us secure several original bipartisan cosponsors lined up to support the bill once it is ready to be introduced.

Despite the standstill in Congress, we've seen great progress on some of our other initiatives. As we mentioned during the annual convention and in prior issues of *Insulation Advocate*, our tax deduction bill is more likely to advance if it is a part of a comprehensive energy package. We have been meeting with energy efficiency leaders in Congress to encourage them to include our mechanical insulation tax deduction in other efficiency bills. To that end, we achieved a big milestone on May 12 when Representative Tim Murphy (R-PA) included a tax deduction for mechanical insulation within his bipartisan energy legislation, H.R. 1861, Infrastructure Jobs and Energy Independence Act. We see this new development as proof that our message and efforts are resonating on Capitol Hill. Given the interest in efficiency as a "low-hanging fruit" approach to the country's larger energy challenges, there are a number of energy efficiency bills that have been proposed in recent weeks, including measures from Senators Jeanne Shaheen (D-NH) and Rob Portman (R-OH). Sen. Shaheen's staff has agreed to work with us to shape the legislation, giving us yet another potential opportunity to include mechanical insulation in a larger bill. However, there is more work to do to ensure legislative vehicles support the commercial and industrial sectors—and the ample opportunities they provide in saving energy and costs through mechanical insulation.

We are also pleased to report a strong number of allies who have been willing to support extended funding from the Department of Energy (DOE) for our mechanical insulation education and awareness campaign. This month, Senator Jon Tester (D-MT) and Representative Steve Israel (D-NY) have each independently urged DOE to continue our education campaign and support this important work. Rep. Rush Holt (D-NJ) also plans to encourage the Energy Secretary to allocate funding to this effort.

We continue to ride the ebbs and flows of Congress. While we, like many others, are subject to the focus and unforeseen priorities of our federal lawmakers, we continue to revise our strategy and our engagement efforts. Of course, your support and involvement is so important for us to succeed in Washington. Over and over again, we hear from members of Congress and their staff how your efforts have directly influenced their decision to take action to help the mechanical insulation industry. We will continue to monitor Congressional action and look for any new opportunities to advance our industry. As always, thank you for your efforts and support.

Regards,
Michele M. Jones
Executive Vice President/CEO