

SEPTEMBER 30, 2009

IMPORTANT STEPS IN SEPTEMBER

Dear Member,

I am pleased to report we have taken two important steps toward achieving our Mechanical Insulation Marketing Initiative goals since I last wrote to you.

Congress is working on finishing the fiscal year 2010 energy spending bill, and we hope as part of that to get some funding to launch our national awareness campaign. But another path we have been working to secure federal dollars was through the Department of Energy (DOE). As a result of the economic stimulus, DOE's budget is flush in priority areas. One of those areas is energy efficiency.

On September 11, we met with the DOE Assistant Secretary for Energy Efficiency and Renewable Energy Cathy Zoi. She is President Obama and Energy Secretary Chu's principal adviser on these issues. Her division oversees the Industrial Technologies Program and the Save Energy Now (SEN) program.

We made Assistant Secretary Zoi and senior members of her team aware of the many benefits of mechanical insulation and asked to work with her office to begin a national education campaign with initial funding from the Office of Energy Efficiency and Renewable Energy to jump start the program.

As the SEN program currently addresses only maintenance in the industrial sector, we advocated for an expansion of SEN to the commercial sector and asked for their support for the tax credit we have been developing on Capitol Hill that would incentivize much greater use of mechanical insulation.

Following the meeting, we left a joint letter from NIA and our partners at the International Association of Heat and Frost Insulators and Allied Workers to Assistant Secretary Zoi highlighting our unprecedented alliance and soliciting support. The letter is available at www.insulation.org/mimi/.

Our meeting at DOE was a success and we hope we can begin partnering with them in the coming weeks. We were pleased that just days after meeting Zoi we heard her address the National Association of State Energy Officials. She shared one of our key messages to this important group, telling them they need to think differently about mechanical insulation.

Our tax credit work also continues to progress. We now have draft legislative language we are grateful was crafted during the congressional recess by Representative Deborah Halvorson's (D-IL) office. With this in hand, we returned to Capitol Hill last week. We made the case for its inclusion in the next energy tax bill with several House and Senate offices, including the top energy tax writers for House Ways and Means Committee Chairman Charles Rangel (D-NY) and Senate Finance Committee Chairman Max Baucus (D-MT), as well as Senators Jay Rockefeller (D-WV) and Olympia Snowe (R-ME), both senior members of the Finance Committee.

Meanwhile, we continue to work with key members of Congress to secure education campaign funding in the pending energy appropriations bill, which could see action any day now, and shore up support for Halvorson's proposal — included in the House climate and energy bill — which would create a multi-year mechanical insulation awareness program.

Please send any thoughts you have on our efforts. In the meantime, we will continue to forge ahead on all campaign elements.

Regards,
Michele M. Jones
Executive Vice President/CEO