



JOHN A. KITZHABER, MD
Governor

June 22, 2011

The Honorable Steven Chu
Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, DC 20585

Dear Secretary Chu:

The state of Oregon sincerely appreciates your leadership as the Secretary of Energy to find national energy solutions and foster innovation and new ways of thinking about resource development. I believe that wave energy, an emerging renewable resource, has the potential to be a creative new energy solution in our state and our nation. I write today to request the Department of Energy's continued fiscal support of first-stage wave energy development and the national marine renewable energy centers that advance that technology.

Oregon has long recognized the potential for a thriving wave power industry along our coast. We have invested significant public resources and effort in supporting our fledgling industry, through research and development tax credits as well as the Oregon Innovation Council's foundational support of the Oregon Wave Energy Trust. At the same time, Oregon is dedicated to protecting our unique natural resources and the industries these resources support. Our careful but deliberate approach can be considered a national model, established by the first deployment nationally of a wave energy project off of our shores at Reedsport.

Our own Oregon State University is home to the Northwest National Marine Renewable Energy Center (NNMREC), featuring two wave simulation tanks that attract technology developers from around the world. With funding support from the state, NNMREC will build an off-shore test site that will act like an electric outlet in the sea, allowing device developers to plug in their equipment and focus on device-specific performance. This test site is essential to ensuring that U.S.-based companies stay in the U.S. and partner with our world-class scientists.

I understand that we are in working a time of limited resources. As possible, we hope that the Department will maintain its strong commitment to wave energy deployment by focusing on two areas of work.

First, we must provide funding avenues to advance the technology readiness levels of wave energy devices, in particular for demonstration projects. Demonstration projects teach us how well devices work mechanically and electrically but also help us determine which of the many

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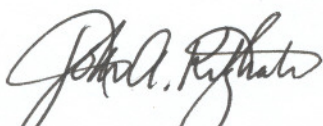
applications of wave energy devices prove most efficient and resilient in marine environments. Demonstration projects will also help us estimate potential impacts and give communities something real that they can see in the water.

Second, we must strengthen funding to marine energy research centers such as NNMREC that provide a suite of essential support services for device development. Without established research centers, U.S. companies will instead choose international laboratories.

Both of these funding avenues will mean jobs. Oregonians will be able to find technical and manufacturing employment through the wave industry, from energy engineering to service and repair of equipment. Oregon's state universities and community colleges have invested heavily in training the next generation of our renewable energy workforce. We cannot risk losing wave energy entrepreneurs to other countries more willing to invest in wave projects.

I again encourage the Department of Energy to maintain strong funding for the developing wave energy industry as one of the nation's overall energy solutions and a new economic engine for our coastal communities.

Sincerely,



John A. Kitzhaber, M.D.
Governor

JAK/bb/lj

c: Oregon Congressional delegation
Northwest National Marine Renewable Energy Center
Oregon Wave Energy Trust