DIRECT INSTALLATION OF ENERGY EFFICIENCY PROGRAM

Section 1. **Short title**.—This Act may be cited as the Energy Efficiency and Jobs Creation Act of 2008".

Section 2. **Congressional findings and declaration of purpose.**

(a) Findings

The Congress finds that –

(1) energy use in private and public sector owned and managed buildings is excessive and implementation of aggressive energy efficiency measures will have an immediate and substantial effect in reducing energy demand;

(2) the development and implementation of comprehensive energy efficiency projects in existing buildings will dramatically help residential consumers, schools, government and businesses become more energy efficient, upgrade their infrastructure, generate energy cost savings, and produce high quality jobs;

(3) the widespread use of energy efficiency measures in existing buildings will reduce regulated air pollutants and greenhouse gas emissions; and

(4) the Federal Government has a responsibility to promote the use of energy efficiency measures and pursue energy efficiency policies in all sectors of the economy and for all homeowners in order to stimulate the economy by reducing energy demand and the resultant amount of fossil fuels that need to be purchased outside of the United States, by generating energy cost savings, and creating new jobs.

(b) Purpose.—It is the purpose of this Act to promote energy efficiency and create jobs.

Section 3. **Authorization of appropriations** – For the purpose of carrying out this Act, there are authorized to be appropriated $10,000,000,000.

Section 4. **Use of funds**.

(a) Of the amount provided in this Act, one half will be for institutional and state and local buildings, and the remaining half distributed among residential buildings, commercial buildings, and industrial buildings.

(b) Within thirty days of the release of funds under this Act, the Secretary of Energy shall distribute 49.5% of the funds to the state energy offices in the states, as defined by 42 U.S.C. § 6322, or other agency designated by the Governor of the state or the Mayor of the District of Columbia, with one-half of the funds disbursed in accordance with population and one-half disbursed on an equal basis to all the states and the District of Columbia. Of the amounts provided in this section, .1% of the funds shall be disbursed equally to Puerto Rico, Guam, American Samoa and the U.S. Virgin Islands.

(c) The Secretary of Energy will disburse the funds to each state, the District of Columbia, Puerto Rico, Guam, American Samoa and the U.S. Virgin islands upon receipt of a certification from each state Governor or the Mayor of the District of Columbia that the funds will be disbursed during the next nine months for the following purposes:

(1) Investments in comprehensive energy efficiency retrofits of existing state buildings and facilities, including buildings and facilities of state universities and

community colleges, and local government buildings and facilities, including buildings and facilities of municipalities, counties, vocational districts and school districts;

(2) Investments in comprehensive energy efficiency retrofits of existing residential homes, either single or multi-family, so long as the residences are not eligible for participation in the Low-Income Weatherization Assistance Program in that jurisdiction, and for already established programs that deliver these energy efficiency retrofits on a direct install basis and that does not require a financial contribution from the resident to pay for the retrofits;

(3) Investments in energy efficiency retrofits in commercial facilities, particularly energy efficiency retrofits in existing retail and other small commercial facilities (under 450 kW) on a direct install basis pursuant to programs that have been established in the marketplace in any jurisdiction; and

(4) Investments in industrial energy efficiency retrofits in existing industrial facilities, utilizing established methods, including implementing potential investments identified as a result of the US Department of Energy's "Save Energy Now" program.

d) Within three months of the date of enactment of this Act, the Secretary of Energy shall publish guidance which sets forth the metrics that the Secretary shall utilize in evaluating the state reports submitted in accordance with subsection (f).

(e) Within nine months of the release of funds from the Secretary of Energy, the states, the District of Columbia and the designated territories shall have disbursed these funds for energy efficiency retrofits in the existing buildings described in subsection (c). Energy efficiency programs implemented in accordance with this section shall be:

(1) monitored and verified to ensure that energy efficiency measures are being implemented and are saving energy on a cost effective basis, that is that they have scores on the Total Resource Cost (TRC) test as defined in the California Standard Practice Manual for energy efficiency programs of greater than 1.; and

(2) implemented by the states or third parties designated by the states, such as energy service companies or electric or gas utility companies or local governments.

(f) Within ten months of the release of funds from the Secretary of Energy, the states, the District of Columbia and the designated territories shall report to the Secretary on the use of funds, including the monitored and verified energy savings actually produced, projected energy savings over the next twelve months, the specific entities implementing the energy efficiency programs, and the direct and indirect employment created as a result of these programs.

(g) Within twelve months of the release of funds from the Secretary of Energy, the Secretary shall disburse the remaining 50% of the funds to the states and the District of Columbia in accordance with the performance of these entities in achieving monitored and verified cost-effective energy savings and increases in employment, as determined by a review and analysis of the reports submitted in accordance with subsection (f). A three month period will be given to these jurisdictions to cure any failures in compliance with the requirements under subsection (c) and subsection (f). In the event of failure to

successfully meet these requirements after the three-month cure, period the Secretary shall provide no additional funding under subsection (g) to that jurisdiction.

Section 5. **Limitation on the use of funds**.

(a) In the event the states, the District or Columbia or the designated territories determine that the funds disbursed under this Act cannot be expended for the respective residential, commercial, institutional or industrial purposes in accordance with the percentages required in subsection 4(a), then the states may reallocate these funds to other energy efficiency purposes in the other sectors for direct installation of energy efficiency in existing buildings after submitting a report to the Secretary of Energy within ten months after the initial distribution of funds by the Secretary under this Act consistent with subsection 4(f). Subject to approval of the report by the Secretary, the additional disbursement of funding under subsection (g) will be permitted.

(b) The states shall not utilize more than ten percent of the funds provided under this Act for administration of the programs under this Act, and no more than five percent of the funds provided under this Act shall be utilized for monitoring and verification activities and ensuring the energy savings are sustained.

Section 6. **Effect on other laws**. – An Environmental Impact Statement or any other environmental review, in accordance with the National Environmental Policy Act of 1970, shall not be required under this Act.

[**APPROPRIATIONS – NOTE – THE STATUTE IS AN AUTHORIZATION – THE FOLLOWING LANGUAGE COULD BE UTILIZED FOR THE APPROPRIATIONS LANGUAGE – ASSUMING A SUPPLEMENTAL APPROPRIATIONS BILL/STIMULUS PACKAGE]**

Use this language in any legislation we propose

Department of Energy

Energy Efficiency and Renewable Energy

For an additional amount for "Energy Efficiency and Renewable Energy", $10,000,000,000, to remain available until expended: *Provided,* That of the funds appropriated, the entire amount is directed to the Energy Efficiency and Jobs Creation Act of 2008: *Provided further*, That of the funds appropriated for this purpose, the Department of Energy shall disburse the funds to the states no later than thirty days after enactment for purposes of section 4(b) of the Energy Efficiency and Jobs Creation Act of 2008, and within twelve months of enactment for purposes of section 4(e) of the Energy Efficiency and Jobs Creation Act of 2008.