December 10, 2008

The Honorable Jeff Bingaman, Chairman
Senate Energy and Natural Resources Committee
U.S. Senate

The Honorable Pete Domenici, Ranking Member
Senate Energy and Natural Resources Committee
U.S. Senate

Re: Testimony for the Senate Energy and Natural Resources Committee: Investments in Clean Energy Projects to Create Jobs and Stimulate the Economy

Dear Chairman Bingaman, Ranking Member Domenici, Distinguished Members of this Committee:

Thank you for convening the December 10 hearing to address the inclusion of clean energy projects in upcoming economic recovery legislation. Our growing coalition represents more than 375 local elected officials in 39 states who are taking action in their communities to reduce energy use and greenhouse gas emissions. We are pleased to submit this statement for the record.

We commend you for holding this important hearing and we strongly encourage you to make investment in energy efficiency, clean energy, and green jobs a cornerstone of your strategy as the Congress begins to craft economic recovery legislation. Our coalition of local governments looks forward to playing our part in the "Green Economic Recovery" by working in partnership with the federal government to put people back to work through local building efficiency retrofit programs, installation of community-scale renewable energy projects, investments in local mass transit equipment and infrastructure, and local economic development strategies that reduce vehicle miles traveled.

Our message to you today is simple.

1. Cities and counties across America have thousands of ready-to-go projects that will help achieve three critical national objectives – create new jobs, decrease our dependence on foreign oil, and reduce the greenhouse gas emissions that cause climate change.

2. Local governments are uniquely suited to implement job creating programs and projects that will reduce energy consumption in commercial and residential buildings and in the transportation sector by improving transit and reducing vehicle miles traveled.

3. The federal government should invest $10 billion in the Energy Efficiency and Conservation Block Grant program and $18 billion to upgrade transit infrastructure and transit equipment as an efficient and effective way to create jobs and empower local climate action.

THOUSANDS OF READY-TO-GO LOCAL CLEAN ENERGY PROJECTS

As you know, about two million jobs have been lost in the United States in 2008 and more losses are forecast. Creating local green jobs that will last for years to come and cannot be outsourced will contribute significantly to the country's economic recovery. Across the nation, local governments have thousands of local government ready-to-go clean energy projects that could be implemented with federal economic recovery assistance. This week the U.S. Conference of Mayors released a nationwide survey of local governments, citing approximately 1,600 ready-to-go clean energy and transit projects that could create about 120,000 new jobs – in just 427 cities that participated in the survey. (See http://www.usmayors.org/mainstreetstimulus/)
We have attached a list of dozens of local ready-to-go clean energy projects from some of our coalition. We want to emphasize that not only will these projects create new jobs and spur economic revitalization; additionally, these local projects will help set our nation on a course for energy independence and reduce greenhouse gas emissions. Examples include the following:

- With economic recovery assistance, **Montgomery County, MD** would establish a Home Retrofit Revolving Fund to provide energy audits and low interest loans for residential energy retrofits. This program would reduce consumer energy costs, increase home values, and produce significant new green jobs in the construction and building trades. In Montgomery County, a $35 million annual investment would result in $47 million in energy savings benefits to consumers. In addition, a 30 percent participation rate has the potential to reduce nearly 200,000 tons of CO_2 emissions annually.

- With economic recovery assistance, the **City of El Paso, TX** would provide energy retrofits at 53 facilities and at more than 600 intersections. The retrofit project would create jobs, save more than 10,000 kilowatts per year, save an estimated $1.743 million annually in energy costs, and reduce annual emissions by 11,300 tons. It will cost an estimated $15 million. The energy retrofits include heating and cooling system replacements, installation of energy efficient lighting systems, and other projects.

- With federal assistance, the **City of Gainesville, FL** would launch a new Low income Energy Efficiency Program (LEEP) that will assist 336 low income customers in upgrading their homes with energy efficiency measures to reduce energy use, improve comfort, and save money. The proposed project will save 537,936 kWh per year and will eliminate 457 metric tons of CO_2 annually. Job creation will include three full time employees and increased demand for hundreds of contractors, i.e., HVAC installers, insulators, electricians, plumbers and general contractors. The project will cost $1 million annually.

- With federal assistance **Westchester County, NY** would install photovoltaic systems in four county office facilities and use the renewable energy generated to run each complex. The proposed project would cost $3.5 million, save 989,000 kwhr per year and $150,000 annually in energy costs, cut greenhouse gas emissions by 415 tons per year, and create 20 new construction jobs.

- With federal assistance, **Loudoun County, VA** would build the Brambleton Geothermal Fire Station. The new facility will incorporate the latest renewable energy design features such as a 30,000 gallon cistern on site to store rainwater, geothermal wells, ground source heat pumps, and many others at a cost of $7.2 million. It will save 1,179,806 gallons of water per year from rainwater collection, 86,400 gallons of water per year from water efficient fixtures, and will reduce

energy consumption by 30 percent annually. The project will employ 20 full time employees when completed and require multiple construction personnel during construction.

- With federal recovery assistance, the **City of Spokane, WA** would implement SmartRoutes, an $11 million transportation plan to make road and trail improvements to facilitate bike and pedestrian travel. When completed, the project will reduce vehicle miles traveled by 91 million miles annually, reduce CO_2 emissions by 58,000 tons a year, and create hundreds of new jobs.

LOCAL GOVERNMENTS ARE WELL-SUITED TO IMPLEMENT CLEAN ENERGY PROJECTS

Local governments are at the forefront of the movement to promote clean energy and address climate change in the United States. For years, local governments have served as laboratories for innovation, developing new approaches to reduce energy use and greenhouse gas emissions, including the conversion of municipal fleets to hybrid vehicles, the design and construction of energy-efficient buildings, the installation of renewable energy, and the development of communities that reduce vehicle miles traveled.

Local governments are especially well-suited to improve building efficiency and reduce energy used in the transportation sector. In addition, local governments are well-positioned to implement community-scale renewable energy projects that create jobs and reduce carbon emissions.

REDUCING ENERGY CONSUMED IN BUILDINGS

According to the U.S. Energy Information Administration, commercial and residential buildings account for well over 40 percent of the energy consumed in the United States. Experts estimate that three-fourths of America's residential and commercial buildings will be replaced or renovated by 2038. EPA estimates that well-designed building codes implemented and enforced in conjunction with appliance standards can lock in cost-effective energy savings of 30 to 40 percent at the time of building construction compared to standard practices.

Local governments are best suited to improve and enforce building codes and create other programs to reduce energy use in commercial buildings and homes. Following are examples of local innovative energy-smart building approaches that could be supported and replicated with national leadership and resources.

- **Nassau County, NY** launched its "Green Levittown" initiative, a public-private partnership to help the 17,000 households of America's first suburb conduct home energy audits, replace old boilers, and make other home energy savings improvements. The project goal is to reduce carbon emissions by 10 percent. Thousands of households are participating and the changes being made are resulting in a significant reduction in greenhouse gas emissions.

- **Santa Barbara, CA** passed an ordinance in 2007 to become the nation's first city to reduce the fossil fuel standard for all new buildings in order to accomplish carbon neutrality by 2030 by enacting building regulations exceeding state standards for energy use among other measures.

- **Montgomery County, MD** recently passed legislation that promotes energy efficiency in new buildings. The bill requires most new commercial, multi-family residential and single family residential buildings to meet certain Energy Star standards, and requires a building owner to pay an

Environmental Sustainability Fee if the building does not comply with the energy efficiency and environmental design standards. The legislation also requires the Director of the County Department of Public Works and Transportation to develop an energy baseline, energy unit savings plan, and energy cost savings plan for each County building.

REDUCING ENERGY CONSUMPTION FROM TRANSPORTATION

The U.S. transportation sector accounts for a third of all energy use and within this share, 60 percent comes from personal vehicle use. While cleaner vehicles and fuels standards are important, increases in vehicle fuel efficiency have not been and are not predicted to be sufficient to keep pace with increases in driving associated with more sprawling development patterns and lack of adequate public transit. Numerous studies show that given the option to live in a less automobile dependent location, people will indeed drive less. According to the recent book *Growing Cooler*: *The Evidence on Urban Development and Climate Change*, residents of more compact neighborhoods drive 20-40 percent less on average.

Reducing vehicle miles traveled (VMT) and increasing transit use are important ways to significantly reduce energy use and emissions from the transportation sector. Since local governments are responsible for land use and transportation planning, local leadership is essential to address this problem. In addition, local governments are playing an important role in purchasing low-emission vehicles and using alternative fuels. Examples of effective local transportation programs include the following:

- **Sacramento County, CA** and the **Sacramento Area Council of Governments, CA** have established a blueprint for the metropolitan region that links transportation investments to a vision of sustainable future growth and development served by public transit, walkability measures, and other approaches to reduce VMT in the region by 27 percent by 2050.

- **Envision Utah** is a collaboration of several public-private stakeholders in the **Salt Lake City/ Greater Wasatch Area** focused on protecting the environment and maintaining economic vitality and quality of life as they accommodate anticipated growth in the region. The collaboration focuses on several key strategies to reduce emissions, addressing VMT though creating more walkable communities; preserving critical lands and park space; developing a region-wide transit system; and fostering transit-oriented development.

- The **City of Stamford, CT** is undertaking a 20-year initiative to improve regional transportation and promote smart growth and economic development through multi-modal transportation investments and transit-oriented development. The initiative encompasses everything from expanding the hub of their transportation infrastructure (the Stamford Transportation Center), building a new multimodal center, and connecting these transportation centers to the new Stamford Urban Transitway, to construction of an urban light rail loop to connect key urban locations through public transit.

- In 2007, **King County, WA** committed to purchase 500 new hybrid buses manufactured by New Flyer and General Motors over a five year period. The buses will be added to a fleet that already has over 200 hybrid buses in service. Hybrid buses use considerably less fuel and reduce some exhaust emissions by up to 90 percent. There are currently over 2,000 hybrid buses in use nationwide.

- Since 2001, the **City of Keene, NH** has powered their municipal fleet of 68 vehicles and other city owned equipment with B-20 biodiesel. City operators have stated that the headaches they would get from operating equipment with 100 percent diesel have gone away while operating equipment with B-20.

LOCAL INITIATIVES TO INCREASE THE USE OF RENEWABLE ENERGY

Large, utility-scale renewable projects like wind farms and solar plants are critical to America's energy future, but community-scale renewables are vital as well. Solar photovoltaic panels on elementary schools, biomass generation at local landfills and sewer plants, wind turbines powering targeted neighborhoods, town halls heated and cooled with non-polluting geothermal energy and other projects help localities become self-reliant and better able to manage the risks of increasing energy costs, blackouts, and other challenges.

The following local government renewable energy projects demonstrate the kinds of innovation that could be spurred across the nation with federal assistance.

- **Wyandotte Municipal Utilities, MI** is installing the first-in-the-nation utility-scale wind power project on an urban brownfield. Wyandotte is also considering renewable energy projects including woody biomass generation, river hydrokinetic power systems, combined photovoltaic-concentrated solar technologies, hybrid public utility fleets, and green roofs infrastructure to reduce emissions in a community that has historically relied on petrochemical manufacturing and coal-fired power to fuel the local economy.

- The Department of Energy and the U.S. Environmental Protection Agency are now working with the **City of Stamford, CT** on an innovative wastewater-to-energy project that will convert dried sewage sludge into clean, renewable energy. This first-ever application of biomass gasification technology is free of air and carbon emissions and will use a renewable resource available in nearly every locality. If deployed nationally, this waste-to-energy technology could produce 100 times the electric energy needed to serve U.S. domestic demand, and could reduce 1.1 billion metric tons of greenhouse gases by 2030.

- In 1999, **Story County, IA** constructed Iowa's first county-owned building to use a geothermal heating and cooling system. The geothermal system reduces energy consumption by 40 percent, costs less to maintain, and cuts air-borne pollutants. The County is currently converting other buildings to geothermal energy.

- **Sacramento County, CA** plans to install 16 megawatts (MW) of solar community-wide each year for the next nine years so that two percent of the community's energy would come from solar by 2017. This residential incentive program would supplement existing federal tax credits and utility incentives in order to help transform the solar market and assist Sacramento County in achieving its goal. The project would save 80 million KWh and $8 million per year. GHG emissions would be cut by 25,000 metric tons per year. Meeting the state goal of adding 16 MW per year of solar in Sacramento County would create 600 direct permanent jobs and three to four times as many indirect jobs per the U.S. Department of Energy.

We are attaching two documents that we request be included in the hearing record:

1. *Empowering Local Government Climate Action: Blueprint for President Obama and 111th Congress* and the list of 375 plus local elected officials who have endorsed the blueprint thus far.

2. A list of local Green Recovery projects that could be implemented with federal assistance

Again, we urge the federal government to invest $10 billion in the Energy Efficiency and Conservation Block Grant Program and $18 billion in transit infrastructure and equipment as part of national economic recovery legislation. These critical investments will enable local governments across America to do what they do best – implement pragmatic community-based solutions that will reduce create jobs, revitalize the economy and preserve our planet.

Thank you very much for your consideration.

Sincerely,

Ken Brown, Executive Director
Climate Communities

Michelle Wyman, Executive Director
ICLEI USA

CLIMATE COMMUNITIES is a national coalition of local governments seeking national support to empower local climate action (www.climatecommunities.us). 202-261-6011

ICLEI USA is a membership association of more than 500 cities, towns and counties in the U.S. that provides expertise, technical support, and innovative tools to help local governments advance their emissions reductions and sustainability goals (www.icleiusa.org). 510-844-0699