

**1Sky * Chesapeake Climate Action Network * Conservation Law Foundation * Energy Action Coalition
Environmental and Energy Study Institute * Environment America * Green for All
National Wildlife Federation * Natural Resources Defense Council * The Nature Conservancy
Pew Environment Group * Safe Climate Campaign * Sierra Club * Union of Concerned Scientists
The Wilderness Society**

The Honorable Harry Reid
United States Senate
Washington, DC 20510

The Honorable Richard Durbin
United States Senate
Washington, DC 20510

February 11, 2010

Dear Majority Leader Reid and Majority Whip Durbin:

On behalf of our millions of members, we write to urge the Senate to make clean energy, green infrastructure and environmental protection a cornerstone of any job creation legislation. Investing in clean energy will help put our economy on a stable, long-term path to sustainable growth and job creation, all while avoiding emissions that contribute to global warming, protecting our nation's treasured places, and directing development to the most appropriate places.

While a jobs bill is important, the best way to create millions of jobs and rebuild our economy with clean energy is to pass comprehensive climate and energy legislation in the coming months. Congress needs to enact a cap on global warming pollution to send a clear signal to thousands of waiting investors in the clean energy sector. This would have a far more lasting and wide-ranging impact than anything that can be accomplished through a jobs bill.

But to begin to make progress, we urge that the following clean energy, green infrastructure and environmental protection programs and incentives be included in any job creation legislation:

- **Home Star and Other Home Retrofit Programs:** The Senate should include the proposed Home Star program funded with at least \$6 billion, and other home retrofit incentives or financing mechanisms. We currently have the technology, the know-how and a workforce that is ready to retrofit our homes to make them more efficient. What homeowners need are the incentives and financing mechanisms that will make it feasible to retrofit their homes. The Home Star and low-income housing residential retrofit programs will put thousands of Americans to work and give families across the country an opportunity to save money and reduce pollution. This proposed legislation would work by providing rebates to homeowners to purchase energy efficient appliances, efficient heating and cooling systems, insulation, and whole-home energy efficiency retrofits. For example, an average investment of \$4,500 to retrofit a home would decrease household energy consumption by 22 percent and household carbon dioxide emissions by 17 percent annually.
- **Commercial and Manufacturing Retrofit Programs:** The Senate should include commercial and industrial energy efficiency programs that will decrease the cost to businesses of becoming more efficient in their energy use. Many of America's commercial buildings and manufacturing plants are costing businesses too much money in energy costs and significantly increasing our global warming emissions. A commercial building and manufacturing plant retrofit program, such as Building Star,

would create good-paying jobs that cannot be outsourced, save American businesses money in energy costs, and significantly reduce global warming pollution. If 10 percent of U.S. commercial buildings were retrofitted annually and made 40 percent more efficient, we would save the equivalent annual energy output of 989 nuclear power plants and avoid 2.1 billion tons of global warming emissions over 10 years. A program like Building Star would create 25,000 jobs in 2010 for every \$1 billion invested.

- **Financing for Energy Efficiency:** Section 1705 of the Energy Policy Act of 2005, which Congress added in the American Recovery and Reinvestment Act of 2009 (ARRA), should be expanded to allow credit enhancement of financing products and programs for building efficiency retrofits and on-site renewable energy systems. A portion of the investments in the Home Star program should be available for use to support state-based financing of building energy efficiency retrofits and installation of on-site renewable systems.
- **Treasury Grant Program:** The Section 1603 Treasury Grant Program of ARRA should be extended by one year. The program provides monetary grants to taxpayers eligible for production and investment tax credits. For almost two decades, production and investment tax credits have been the primary tool used by the federal government to encourage extensive deployment of clean energy technologies such as wind, solar, and geothermal, and the production of high efficiency appliances. The economic downturn, however, drastically reduced profits and thus tax liabilities, which severely undermined the value of these credits. Congress established the Treasury Grant Program as a short-term solution to the problem, and needs to extend the program for another year because the downturn has persisted.
- **Advanced Energy Manufacturing Tax Credit:** Congress should remove the cap on this program or at least raise it to the level proposed in the President's budget, which adds \$5 billion to the total funding cap. This program provides tax credits for qualified investments in advanced, clean energy projects to support new, expanded, or re-equipped domestic manufacturing facilities. The Department of Energy has estimated that the first \$2.3 billion already disbursed from this popular provision of the recovery act will create 58,000 new jobs across the country.
- **Invest in Public Transit and Rail:** Congress should direct as much investment to transit and rail as is directed to highways. Investment in public transportation not only reduces oil dependence and pollution, the American Recovery and Reinvestment Act showed that transit projects create nearly twice as many jobs per dollar invested as new road construction. In addition, granting transit agencies flexibility to use capital funds for operating assistance will help the many transit agencies that are facing financial crisis, preserve jobs and help get millions of people to work efficiently and affordably.
- **Prioritize Repair and Maintenance of Infrastructure:** Our nation's roads and bridges are in desperate need of repair. Roughly 25% of our bridges are structurally deficient and more than 50% of the miles driven on our interstate highway system are in a state of less than good repair. To make our transportation system safer and more efficient, we should prioritize investment in the maintenance and repair of existing transportation infrastructure.
- **Public Lands Service Corps:** Congress should put young Americans to work protecting our public lands. The authority of the Secretaries of Interior and Agriculture should be expanded and new authority created for the Secretary of Commerce to administer service corps activities to maintain and improve our public lands through inclusion of the Public Lands Service Corps Act (H.R. 1612, S. 1442). The Corps would provide tens of thousands of Americans aged 16-25 with job training and entry-level employment opportunities, while addressing major backlogs of maintenance work on our public lands.
- **U.S. Forest Service Road-related Projects and Decommissioning:** Congress should Put Americans to work protecting our most beautiful landscapes, by adding \$100 million to the Forest Service's Capital Improvement and Maintenance budget which funds road design and decommissioning in our national forests. Research has estimated that each \$1 million invested in road decommissioning can create nearly 30 jobs and produce over \$2 million in the economy. Additionally, our national parks and

national wildlife refuges have enormous backlogs of construction and restoration projects. These public lands are economic engines: for every \$1 appropriated by Congress, refuges return at least \$4 in economic activity. Investing in refuges and parks strengthens local economies and strengthens ecosystems, giving wildlife greater adaptability in the face of climate change.

- **Diesel Emissions Reduction Act:** Congress should add \$1 billion to the Diesel Emissions Reduction Act (DERA) to help companies and agencies to buy cleaner vehicles and retrofit technologies to reduce the emissions of diesel vehicles. The Environmental Protection Agency has a backlog of \$1.7 billion worth of projects waiting for funding through DERA. Each \$1 billion in funding is estimated to create 19,000 jobs and increase economic output by \$3 billion.

The Senate has an opportunity to begin repowering America with clean energy, put hundreds of thousands of Americans to work, and protect our health and environment with a job creation package that makes wise investments in clean energy, energy efficiency, and green infrastructure. In order to take advantage of this opportunity, we urge you to make clean energy and green infrastructure a cornerstone of any jobs legislation, while laying the foundation for comprehensive climate and energy legislation.

Sincerely,

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Cc: Members of the U.S. Senate