



February 1, 2010

Dear Senator:

On behalf of the Blue Green Alliance (BGA), our 9 national partners — United Steelworkers, Sierra Club, Communications Workers of America, Natural Resources Defense Council, Laborers’ International Union of North America, Service Employees International Union, Utility Workers Union of America, the American Federation of Teachers, and the Amalgamated Transit Union — and the over 8 ½ million people they represent, we urge that comprehensive climate and clean energy legislation remains at the top of the Senate agenda in the coming weeks.

In our groundbreaking policy statement released in March of 2009, we stated that the creation and retention of millions of new and existing, family-sustaining green jobs must be a direct goal of climate change legislation. Since then, BGA has been integrally involved in the passage of the American Clean Energy and Security Act in the House and the initial progress in the Senate, including testimony on the Green Jobs panel before the Environment and Public Works Committee.

The ambitious policies found in comprehensive climate and clean energy legislation can help our economy struggle to regain its footing. The American Recovery and Reinvestment Act provided a necessary lift to stave off the worst effects of the recession, but it was not enough. Prosperity will only come when we directly challenge the onslaught of climate change and our dependence on foreign oil, and do so with the help, ingenuity and dedication of America’s workers.

If crafted well, such forward thinking legislation will transform our economy into a productive force, with both low emissions and low unemployment rates. We believe that the legislation would benefit from explicitly creating a formal Jobs and Manufacturing Title. The American people should have no doubt that one of the unequivocal purposes of this legislation is to put our country back to work.

We hope you will consider the following priorities of BGA, as we believe that you share our goal of ensuring that this monumental piece of legislation is a robust job-creating engine. Included below are descriptions of the essential features of climate and clean energy jobs legislation that will put our country back to work.

We look forward to working with you to pass this critical legislation. This is a rare chance to combine our nation’s challenges — energy, economy and climate change — and begin to tackle them together.

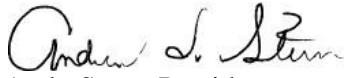
Sincerely,

Leo W. Gerard, International President  
United Steelworkers

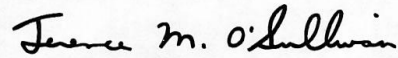
Carl Pope, Executive Director  
Sierra Club

Larry Cohen, President  
Communications Workers of America

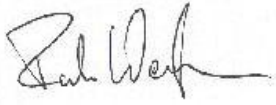
Frances Beinecke, President  
Natural Resources Defense Council



Andy Stern, President  
Service Employees International Union



Terence M. O'Sullivan, General President  
Laborers' International Union of North America



Randi Weingarten, President  
American Federation of Teachers



D. Michael Langford, National President  
Utility Workers Union of America



Warren S. George, International President  
Amalgamated Transit Union



David Foster, Executive Director  
Blue Green Alliance

### **Emissions Targets and Mandates for Renewable Energy and Energy Efficiency**

We urge you to pass into law strong, science-based targets for reducing emissions, similar to those found in the Clean Energy Jobs and American Power Act (S.1733). Capping carbon emissions will create the incentives needed for America to cultivate its clean energy economy. Without the certainty of true emissions reduction, we can achieve neither our environmental goals nor our job creation goals.

We also need a strong, national Renewable Electricity Standard (RES) and Energy Efficiency Resource Standard that will make the U.S. a leader in the increasingly competitive global clean energy industry. Our recent report, *Building a Clean Energy Assembly Line: How Renewable Energy Can Revitalize U.S. Manufacturing and the American Middle Class*<sup>1</sup>, shows that implementation of a policy like Senator Tom Udall's S. 433, which establishes a 25 percent by 2025 RES, could create more than 850,000 manufacturing jobs across America. A strong cap combined with an RES and EERS will reduce emissions in the most cost-effective way while providing the foundation upon which to build America's clean energy economy.

### **Jobs Title**

Creating mandates for renewable energy production and establishing a price on carbon will be the main drivers for the transition to the clean energy economy. We must complement these two bedrock policies with provisions that will ensure that the budding domestic clean energy economy grows and enhances our domestic workforce.

### *Manufacturing*

Reviving America's manufacturing base is one of our top priorities and we believe that climate legislation should include a robust focus on manufacturing, perhaps placing it in a separate title. As part of the broader manufacturing section — which can include the transition assistance for the manufacturing industry listed below — climate and energy legislation should also provide incentives to help our manufacturing base convert to the clean energy economy and make sure that the products made as a result of our efforts in this legislation are made in America.

Provisions like Sen. Brown's IMPACT Act — which creates a revolving loan program in states to provide financing to small- and medium-manufacturers to fund clean energy manufacturing projects — if included and funded in the final product will help us achieve this goal. In addition, clean vehicle manufacturing provisions will be vital to ensuring America's once revered auto manufacturing industry has the opportunity to retain its stance atop the global automobile market.

Industrial efficiency can be equally important as new production when it relates to competitiveness of the industry. That is why the manufacturing title should also included investments directed toward making our

industries cleaner and more efficient. Certain provisions in Sen. Bingaman's American Clean Energy and Leadership Act (S.1462) — modeled off of his separate bill, S.661, which is cosponsored by Sens. Kerry, Schumer, Snowe, and Stabenow among others — would help our industries enhance existing methods and fund innovations in efficiency.

#### *More Efficient Homes and Buildings*

Increased investments in energy efficiency create more opportunities for high-road construction jobs and expedite a smooth transition to a clean energy economy. Two policies in particular can be drivers for job creation from energy efficiency; a residential and commercial building and home retrofit program and national building codes for energy efficiency.

The Retrofit for Energy and Environmental Performance (REEP) establishes a long-term program to help fund and implement a national retrofit policy. Such a program will invigorate an industry that has the potential to create numerous good jobs retrofitting homes and buildings. By requiring quality Operations and Management programs to be established after buildings have been retrofitted, REEP is an even stronger program for consumers and workers.

In addition to retrofitting our existing buildings, we should ensure that new buildings are built to high efficiency standards. Adopting strong building energy codes is critical for capturing cost-effective efficiency opportunities in buildings when they are first constructed. The Department of Energy should be directed to adopt a national building energy code that achieves 30 percent energy savings by 2010 and 50 percent savings by 2015, with an additional 5 percent savings every three years through 2030. States should be required to implement the national code or one that meets or exceeds these targets.

We must ensure that the implementation of residential energy efficiency is done well. Establishing quality assurance programs will set high standards for the level of this work. These programs would ensure the quality and efficacy of the work, protect homeowners, build confidence, and maximize the return on public investments through the qualification of residential efficiency contractors. With Federal funding, states and other entities can ensure that the budding residential efficiency industry offers high quality work and high road jobs.

#### *Worker Training and Preparation*

Our workforce must have all the necessary tools and knowledge to successfully work in green jobs. We can do this by offering training for all who want the opportunity. We believe that the Green Jobs Act of 2007 gives us the best framework for training and implementation of these jobs in a fair and equitable manner. We also believe that S.1733 crafted a positive framework to help those workers affected by the transition to a clean energy economy.

We cannot focus solely on the workers of today. In order to be prepared, we need to ensure that workers of the future have the requisite skills and knowledge base. The Clean Energy Curriculum Development Grants included in S.1733 give the Secretary of Education the ability to fund programs that prepare students for careers in the new economy.

The Green Construction Careers Demonstration Project establishes a program that promotes quality employment practices targeting low-income communities and workers. We urge you to include and provide the necessary funding to run the Curriculum Grants program and the Demonstration Project in the final legislation.

#### *Renewable Energy Deployment*

A strong RES should be complemented with a national renewable energy deployment program that ensures long-term and stable production-based incentives for a wide range of renewable energy technologies. While an RES is an excellent policy for promoting more mature technologies, such as on-shore wind turbine generation, direct and steady incentives would ensure the deployment of a diverse portfolio of renewable technologies and help bring them to market parity.

New clean energy technologies will need to be developed to build the clean energy economy. America should make substantial investments in the research, development and demonstration (RD&D) initiatives needed to secure our country's position as the leading manufacturer of these technologies.

### *Transportation*

Roughly one quarter of our nation's greenhouse gas emissions come from the transportation sector. Any attempt at addressing climate change would be incomplete if we do not invest in the future of American transportation. A solid framework of investment and strategy for a cleaner, more efficient transportation sector must be included in the context of a climate and clean energy bill. In addition, we will further improve the transportation sector with the inclusion of greenhouse gas reduction targets and strategies in state and Metropolitan Planning Organization (MPO) planning, and the requisite funding for these policies and further investment in public transit.

Ironically, while transit ridership is at a fifty-year high thanks to wildly fluctuating fuel prices, public transportation systems are being forced to implement painful service cuts, fare increases, and layoffs because of shortages in state and local funding. It is critical to dedicate a significant portion of the revenues generated under this bill for public transportation — a major contributor to energy conservation — and to ensure that such funds are eligible for transit operating assistance.

We should ensure that the final comprehensive legislation includes these policies and others to enhance and improve freight rail, and expand and hasten the implementation of high-speed rail.

### *Carbon Capture and Storage*

As we transition to the clean energy economy, it is important that we effectively deploy our varied portfolio of energies and technology. Carbon capture and sequestration (CCS) technology and its deployment can allow us to use coal in a cleaner and more efficient way while creating high-skilled, high-wage jobs for American workers. We are pleased with the direction of the ongoing discussions on the CCS language that is in the legislation and believe that funding should be provided to CCS research, development and deployment. Particular attention should be paid to the technologies that will apply to capturing carbon from existing facilities and that will apply to the steel and cement industries as well as power generation.

### *Competitiveness*

It would be a tragedy for both workers and the environment if our solution to climate change resulted in shifting both the production of energy-intensive goods and carbon pollution overseas to countries unwilling to address the problem. During the early years of the transition, adequate allowance value must be distributed to energy-intensive, trade-exposed (EITE) industries to prevent leakage of jobs and carbon pollution.

We also believe legislation should include a border adjustment provision to ensure the fair treatment of American workers if countries fail to address global climate change after those allocations phase out. The border-adjustment mechanism included in H.R. 2454 is a good model. The combination of allowance rebates and border adjustments must ensure that domestic energy intensive industries have a level playing field to compete with foreign producers. Both the rebates and border measure are critical to the success of the climate bill and to the support of the Blue Green Alliance and many labor unions.

### **Fair Standards**

Congress has shown tremendous commitment to ensuring that American workers are treated fairly, that their jobs are maintained during the early years of the transition and that good, long-lasting jobs are created in the clean energy economy. There is a continuing need to be sensitive to the potential for increased costs that affects workers and their employers. We ask that the final comprehensive Senate bill, that includes pieces from the Energy and Natural Resources Committee, requires that all federally-assisted construction jobs be subject to prevailing wages.

We also ask that you expand opportunities to provide quality jobs in the clean energy economy for all Americans. All new jobs funded in part or in whole by the Federal government should pay fair wages and benefits and

contractors should be required to pay a living wage and abide by responsible contracting principles. In particular, we strongly support the inclusion of recycling provisions in S.1733, but we urge that these provisions be strengthened to ensure that jobs created as a result of the program pay fair wages.

### **International Financing**

Funding should be provided for three vital international needs, consistent with what we agreed to provide in the Copenhagen Accord. First, it should be used to develop markets for American clean energy technologies in developing countries that take part in the global effort to reduce emissions. Second, funding must be provided for developing countries to adapt to climate change. And third, it must be allocated to help achieve additional emissions reductions by combating deforestation.

These provisions are essential to secure a legally binding global climate treaty. But they are also good for American job creation. Take the issue of deforestation. Today there is a direct connection between the loss of jobs in the paper industry in the U.S. and tropical deforestation. Deforestation currently contributes up to 20 percent of global greenhouse gases each year. In many countries much of that deforestation is illegal. If we pass climate legislation in the U.S. and start recognizing the real value of those tropical rainforests as carbon sinks, we'll address climate change and reinvigorate our domestic pulp and paper industry.

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<sup>i</sup> "Building a Clean Energy Assembly Line: How Renewable Energy Can Revitalize U.S. Manufacturing and the American Middle Class," Blue Green Alliance, November 2008. Available online at: [http://www.bluegreenalliance.org/press\\_room/private\\_publications?id=0019](http://www.bluegreenalliance.org/press_room/private_publications?id=0019).