

THE WHITE HOUSE

Washington

February 17, 2009

American Recovery and Reinvestment Act: Moving America Toward a Clean Energy Future

Our nation's current energy system is failing to provide the clean and secure energy needed to power a 21st century economy. It is imperative that we accelerate the development and deployment of clean and renewable energy. The Clean Energy Finance Authority (CEFA) is designed to coordinate, amplify and elevate our nation's investment in a clean energy future. Renewable power has grown dramatically over the past several years. Unfortunately, the current credit crisis has brought this dynamic progress to a halt. The CEFA programs included in the Recovery Plan will revive the renewable industry and double the amount of renewable energy produced over the next three years. Collectively, the funding is expected to leverage nearly \$100 billion in clean energy projects.

BUILDING A BIGGER, BETTER, SMARTER GRID

More than \$11 billion is included in the recovery plan to create a bigger, better, smarter electric grid. Combined, these investments will allow for: integration and use of greater amounts of renewable energy; increased utilization of innovative efficiency technologies; and a reduction in the electric congestion that costs ratepayers billions of dollars each year.

We know that the existing electricity grid today is insufficient and outdated. In order to bring significant amounts of renewable energy online, tens of thousands of miles of new, high voltage national transmission is necessary. For example, North Dakota – a state with significant wind energy potential – cannot carry the energy to the population centers that need the electricity without a new transmission superhighway. While this new nationwide “superhighway” will require long-term policy changes and years of planning, much work can begin today. And the Recovery Plan will jumpstart that work through key investments:

- The upfront investments and reforms in modernizing our nation's electricity grid will result in more than 3,000 miles of new or modernized transmission lines.
- The Plan will also create a smarter grid and deploy 40 million “Smart Meters” in American homes, upgrading transmission and distribution technologies that have not significantly changed in a half century. A smarter way to deliver electricity to consumers can lower utility bills, reduce power outages and enable more cutting edge renewable and electric vehicle technologies.
- While permitting thousands of miles of new high voltage lines will take time, a \$100 million workforce training program can overcome a key obstacle: a projected shortage of lineworkers as the aging transmission workforce enters retirement. Workers who train today will be prepared to construct thousands of new miles in the future.

INCREASING ENERGY EFFICIENCY

Energy efficiency, by many measures, is our fastest, cheapest and cleanest opportunity to address our energy challenges. From cars and homes to factories and offices, we know how to cost effectively deliver vast quantities of energy savings today. The American Reinvestment and

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Recovery Plan includes a number of measures to improve energy efficiency across the US economy by:

- **Reducing Federal Government Energy Use.** The federal government is the largest energy consumer in the world. Making substantial investments to reduce federal energy consumption through energy efficiency upgrades to federal buildings can spur job creation while slashing the federal government's energy bill by 25%.
- **Increasing Low-Income Weatherization Funding .** Across the nation, millions of working families spend a significant portion of their income to run their furnaces, air conditioners and keep the lights on. By upgrading a home's furnace, sealing leaky ducts, fixing windows, and adding insulation we can cut energy bills by up to \$350 per year. And by adding energy efficient appliances and lighting the savings are even greater. The critical funding in the recovery package will help weatherize over 1 million homes.
- **Providing Energy Efficiency Grants to States.** Many states and local governments have created dedicated clean energy programs and are implementing effective strategies to support significant new project and market deployment. Facing budget shortfalls, however, states and local governments now lack sufficient financial resources to tap the full potential of clean energy development and deployment. This situation is exacerbated with private sector financing drying up as a result of the recent credit crisis. With funding from the recovery plan, states and local governments will be able to quickly accelerate clean energy development and create jobs.

GREEN JOBS TRAINING

Amidst the challenges facing our national and global economies, there is a critical opportunity to develop the industries and skilled workforce needed to support a transition to a clean energy economy. Both traditional and clean technology energy companies regularly cite their inability to hire and retain trained workers. The American Recovery and Reinvestment Plan will create a sustainable, public program that leverages significant private labor-management funds and provides quality workforce training linked to good jobs that are created by federal renewable energy and energy efficiency initiatives. Creating programs that quickly and effectively train workers is essential to economic and programmatic goals of the entire stimulus effort.