



January 12, 2009

Mr. David Hayes
Partner, Latham & Watkins
555 Eleventh Street, NW
Suite 1000
Washington DC 20004-1304

Dear Mr. David Hayes,

I am writing on behalf of the 1Sky campaign to offer you our recommendations regarding the forthcoming economic recovery bill.

1Sky is collaborative national campaign for bold climate policy. We were founded a year ago and we now represent over 350 organizations from all sectors of society including most of the national environmental groups, as well as groups from many other sectors including health, social justice, and the faith community. 1Sky also has 25 organizers in 20 states, over 150 Congressional districts covered through volunteer Climate Precinct Captains, and more than 130,000 committed climate advocates on call to support policies in line with the 1Sky policy platform (attached). We are a powerful potential ally in any efforts to enact bold climate legislation that repowers, refuels and rebuilds America, and we of course understand the potential of a green recovery package to start getting us where we need to go.

We urge that the forthcoming economic recovery bill should include:

- **\$500 million, for the Green Jobs Act of 2007.** To transition to the green economy, we need to provide workers with the education and training necessary to complete this work in energy efficiency and renewable energy technologies. The Green Jobs Act was introduced in the summer of 2007 by newly appointed Labor Secretary Hilda Solis, and has yet to receive adequate funding.
- **\$13 billion over two years for a Clean Energy Corps.**¹ This is initial funding for a 5-year investment of \$33 billion recommended by 1Sky allies at Green for All and the Center for American Progress. The Clean Energy Corps combines service, training, and job creation to combat global warming, grow local and regional economies, and demonstrate the equity and employment promise of the clean energy economy. The program will produce 600,000 new jobs in 5 years.
- **\$2 billion over two years for Low-Income Weatherization under the Weatherization Assistance Program (WAP).**² This existing energy efficiency program is proven to be highly

¹ Clean Energy Corps proposal available here: www.greenforall.org/resources/clean-energy-corps.

² This funding is in additions to the \$1 billion already authorized in the 110th Congress, generating a total of \$3 billion for WAP over 2 years.



effective in serving the neediest Americans while building local businesses, strengthening local economies, and saving consumers money on energy bills. By DOE calculations, WAP produces \$3.71 in energy and non-energy related benefits for every \$1.00 in federal funds invested. WAP reduces low-income energy bills by an average of 21 percent and creates 52 direct jobs for every \$1 million in funding.

- **\$1.3 billion for Smart Grid Federal Matching Funds.** Fund the Smart Grid title of the Energy Independence and Security Act of 2007 to support infrastructure investment and demonstration projects that can begin immediately. Transmission investments fill a need that is currently unmet.
- **Green Refinancing for Mortgages.** Special consideration should be given to how a recovery package can tackle the housing crisis through energy efficiency investments. The research group Architecture 2030 has developed a particularly appealing proposal³ by which homeowners get reduced interest rates on their mortgages in exchange for making energy efficiency investments on their own homes. Preliminary analysis suggests that under this plan each dollar invested by the recovery package creates \$5.60 in private investment—and delivers substantial energy and greenhouse gas emissions reductions.
- **\$6.7 billion for the Gulf Coast Civil Works Program.**⁴ This program proposed by allies at Oxfam would partner directly with communities to create 100,000 green jobs and training opportunities to tackle local recovery challenges and revitalize the economy of the Gulf Coast Region.

In the big picture there are many ways to "green" the stimulus, including proposals laid out by our allies in the Green Group,⁵ and similar iterations laid out by the Center for American Progress.^{6,7} When considering the great number of worthwhile green investments available, we encourage you to review specific recommendations carefully, while adhering to these general guidelines:

Ensure Equity – The recovery package must be as equitable as possible. Green investments can help create an inclusive economy, with living wage jobs and opportunities for underserved populations. We highly recommend that you use the greening of the package as an opportunity to help communities that need the most support.⁸

Invest at Scale for Long Term Return – New research demonstrates that a \$100 billion green recovery investment will create two million green jobs in two years.⁹ With prominent economists calling for a stimulus that is at least \$900 billion,¹⁰ we ask you to make sure that **at least \$200 billion** of that pivots

³ *The 2030 Challenge Stimulus Plan*, available here: www.architecture2030.org/downloads/2030stimulusplan.pdf.

⁴ *Gulf Coast Civic Works Act: Green Jobs to Rebuild America's Gulf Coast Communities*, available here: www.oxfamamerica.org/whatwedo/issues_we_work_on/presidential-transition/Fact-Sheet-Gulf-Coast-Civil-Works-Act.pdf.

⁵ *Economic Recovery through Investments in our Environment, Energy System and Heritage*, available here: ga3.org/soe/green_stimulus.html.

⁶ *A Strategy for Green Recovery Stimulating the Economy Today by Rebuilding for Future Prosperity*, available here: www.americanprogressaction.org/issues/2008/green_recovery_memo.html.

⁷ *How to Spend \$350 Billion in a First Year of Stimulus and Recovery*, Center For American Progress, available here: www.americanprogress.org/issues/2008/12/second_stimulus.html.

⁸ For the complete list of 60 prominent organizations supporting principles for a green and equitable stimulus, see: www.greenforall.org/blog/memo-on-a-green-and-equitable-stimulus-sent-to-obama-team.

⁹ Pollin et al. *Green Recovery*. Center for American Progress, and the Political Economy Research Institute, University of Massachusetts-Amherst. September 2008. Available here: www.americanprogress.org/issues/2008/09/green_recovery.html.

¹⁰ Without Large-Scale Recovery Package, Economy Could Shut Down, Economists Tell Lawmakers, available as of January 7, 2009 at: edlabor.house.gov/newsroom/2009/01/without-large-scale-recovery-p.shtml.



us away from dirty fossil fuels and volatile energy prices because it makes sound economic sense.¹¹ A smart recovery package will not only get the economy up and running, it will transition us to a new economy, strong enough to lift people out of poverty and re-shape the American dream. Fast-tracking the massive deployment of the much-needed clean energy infrastructure and job training will make the fundamentals of our economy stronger, and satisfy a nation hungry for change and clamoring for energy reform.

Invest In Renewable Energy and Efficiency, Not Carbon – Not only should every consideration be made to ensuring that the stimulus is “green,” but the entire package should also reflect concern for the global warming pollution generated—or abated—by each investment. For example, public transportation and efforts to make our existing transportation system more efficient would be a far more strategic long term investment than building new roads, which will only lead us down the path to more pollution. With a carbon price appearing politically inevitable, investments in dirty energy now would short-change regions of the country that are currently dependant on the fossil fuel sector for their livelihoods. We need to make sure all stimulus investments pivot our nation boldly away from fossil fuel dependence, and that no one is left out of the new economy.

We have attached for your convenience all pertinent reports by allied groups. We are hopeful that the recovery package will embrace these recommendations from 1Sky and its allied groups. Then we can get on with the business of mobilizing our substantial national resources to ensure that it passes, and does its work to start getting our country headed in the direction of a vibrant, 21st century, green economy.

Please don't hesitate to contact me at 301.270.4550 ext 221 or gillian@1sky.org with any questions or concerns. We stand by ready to assist in your efforts to shape and pass a green recovery package.

Sincerely,

Gillian Caldwell
Campaign Director

¹¹ See January 7th House Steering and Policy Committee Testimony from Robert Reich, available here: edlabor.house.gov/SteeringPolicyForumInformationPacket.pdf.



1 Sky, 3 Imperatives

1Sky is a new national campaign to pass strong and effective climate legislation in the United States. 1Sky has united tens of thousands of Americans, and over 350 organizations nationwide behind the 1Sky policy platform – solutions that match the scale of the climate challenge and embrace the opportunities of a new green economy. Our policy platform is built on three central imperatives for driving climate change policy in the right direction:

- 1. Climate change policy must promote smart energy conservation and efficiency – benefiting the public, jumpstarting a clean energy economy, and protecting vulnerable populations.**

The United States can create 5 million new jobs and green pathways out of poverty with a sweeping national mobilization for climate solutions and investment in a new energy economy. Climate policy must establish a public benefit fund from revenues realized from the sale of pollution allowances or taxes. These revenues should be equitably returned to the public in the form of: (1) direct dividends and/or conservation assistance to offset rising energy costs; (2) investments in accelerating our transition to a clean energy future in the U.S. and internationally, including the creation of a Clean Energy Corps and other conservation and efficiency measures; and (3) adaptation funding for vulnerable communities, including those dependent on the fossil fuel sector for livelihoods, and natural systems, both domestically and internationally, to ease the negative impacts of unavoidable climate changes and transformations in our energy policy.

- 2. Climate change policy must contain strong, science-based targets for the reduction of global warming emissions.**

The Intergovernmental Panel on Climate Change (IPCC) has recommended that developed countries like the U.S. cut carbon emissions at least 25% below 1990 levels by 2020 (35% below current U.S. levels), and at least 80% below 1990 levels by 2050. We need to commit to meeting the IPCC's targets in U.S. policy and send a powerful message to the international community that we join them in leading to solve the largest problem ever to face humankind, and set the table for critical post-Kyoto framework negotiations in 2009.

- 3. Climate change policy must include a moratorium on new coal-fired power plants that emit global warming pollution, and strong incentives for smart renewable energy.**

We must end the development of new coal-fired power plants that emit global warming pollution if we are serious about fighting climate change. Climate policy must pivot us boldly away from fossil fuel dependence, and toward a clean energy future with strong standards and incentives for energy efficiency and renewable energy. A clean energy transformation must feature ambitious national goals that open the market for private investment in clean energy and energy efficiency.

For the full platform, see our website: www.1sky.org/1skysolutions