Kate Gordon
Co-Director, Apollo Alliance
Remarks to U.S. House of Representatives
Committee on Energy and Commerce
Wednesday, April 22, 2009

Chairman Waxman and Subcommittee Chairman Markey, and members of the committee, thank you for inviting me here today to talk about the critical question of how a strong, comprehensive energy and climate bill can bolster the American economy and create millions of high quality jobs.

The time is now for America to take bold steps to catalyze a clean energy revolution. It is a time of daunting challenges and boundless opportunities. We have become more and more dependent on foreign oil, putting our national security and economic future at risk. We have seen a collapse of the financial sector that has had rippling effects on the rest of the American economy. And we have seen the growing threat of climate instability and all its economic, environmental and human costs.

At the same time, our energy, climate, and economic crises present a tremendous opportunity – the opportunity to embrace a truly sustainable path for economic growth. The Apollo Alliance and its partners in the labor, business, environmental, and social justice communities firmly believe that our nation can and must achieve a triple bottom line: energy security, climate stability, and broadly shared economic prosperity.

Last fall we released our *New Apollo Program*, a comprehensive proposal for targeted federal investments in renewable energy and energy efficiency that, combined with a cap on carbon emissions, would create or retain five million good green jobs in this country. We argued that to build a strong clean energy economy we must build on America's strengths, such as our can-do spirit, our technological leadership, our industrial infrastructure, our skilled workforce, and our world-class educational system. We must not be content with lagging behind Europe and Asia, and with taking other nations' ideas and technologies and implementing them here. Instead, we must work toward a future where Americans invent, commercialize, manufacture, install, use and maintain the systems that will move this country away from our dependence on fossil fuels and imported oil.

With the introduction of the **American Clean Energy and Security Act of 2009**, Congressmen Waxman and Markey have taken a bold and exciting step toward the clean energy future our coalition has long envisioned.

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We are particularly pleased to see that the bill takes a comprehensive approach, integrating energy, environmental, and economic policy. It simultaneously creates new markets for new clean and efficient energy systems – through upgraded building codes, a national Renewable Energy Standard, and a cap on greenhouse gas emissions – while investing in America's workforce to ensure that these new markets translate into new jobs here at home. At the same time, the bill invests in emerging technologies such as the smart grid and carbon capture and sequestration (CCS), with the understanding that if we are not at the cutting edge of the clean energy revolution, we will be left behind. And the bill imposes border mechanisms to ensure that when America caps our own carbon emissions, we do not simply end up importing carbon-intensive goods back into our economy from countries with far less stringent environmental and labor standards.

Because it takes a comprehensive approach, there is no doubt that this bill will create scores of green jobs across a wide swath of industry sectors and geographic locations. New efficiency requirements for industrial, commercial, and residential buildings will create new jobs in the construction industry, ranging from lower-skilled laborer jobs to very high-skilled jobs in the building trades. These standards will put people back to work while offering new opportunities to job seekers who are looking to move beyond minimum wage service jobs and into more sustainable employment in the green economy.

New investments in renewable energy, the smart grid, alternative-fuel vehicles, and new coal technologies will create jobs for scientists, engineers, and inventors, but also for workers all the way down the manufacturing supply chain. These new technologies will also, if successfully commercialized, eventually revitalize our export economy and bring new jobs to our nation's ports. Similarly, grants to cities to improve transportation efficiency and public transit will spur innovation in these sectors, and – even more important – provide an efficient transportation network for the eighty percent of Americans who live in metropolitan areas.

These are not idle musings. In some ways the precursor to the bill we are discussing today is the American Recovery and Reinvestment Act (ARRA), which coupled strong investments in energy efficiency and weatherization with targeted funds for worker training. These investments have already spurred new demand for efficient products, and for workers with the skills to make these products.

Republic Windows and Doors in Chicago provides a perfect illustration of the power of clean energy investments to create real American jobs. In early December 2008, 260 members of United Electrical, Radio and Machine Workers of America Local 1110 lost their jobs at the window company. In February 2009, Kevin Surace, the chief executive officer of Serious Materials, an efficient window manufacturer in Sunnyvale, California, reached an agreement with the plant's former owner and with United Electrical Workers to purchase the Chicago factory. Mr. Surace also committed to honoring the union contract and to eventually rehiring all of the plant's union workers. In late March, President Obama commended Mr. Surace for his work to reopen another window plant in Vandergrift, Pennsylvania where 150 people once worked.

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The ARRA has spurred a hundred Republic Windows stories. We believe the American Clean Energy and Security Act could create tens of thousands more.

While we truly applaud the efforts of Chairmen Waxman and Markey, there are several areas where we feel the bill could be strengthened if it is to fully capture the potential of the clean energy economy.

First, while the bill includes a Renewable Energy Standard and Energy Efficiency Resource Standard aimed at dramatically increasing demand for new clean and efficient energy, it does not target investments toward the domestic manufacturing firms that are ideally placed to meet this demand. Currently, looking across all technologies, America imports more than seventy percent of clean energy components – at the same time as we are bleeding manufacturing jobs, especially in the heartland. We have an opportunity with this bill to invest in domestic firms, so they can retool their equipment and retrain their workers to make the wind turbines, solar panels, advanced batteries, and other clean energy systems of the future. These investments would create hundreds of thousands of manufacturing jobs – jobs that usually pay family-supporting wages and benefits and that, unlike construction jobs, offer year-round employment to working women and men. We must not squander this opportunity.

Second, we urge this committee to fill out Title III of the bill, which lays out a market-based system to regulate carbon emissions, so that it includes strategic investments for the workers and communities that are currently dependent on carbon-intensive industries. Every time America has experienced a major economic shift, we have recognized the need to ease the transition for those most negatively affected. When soldiers came back from World War II and re-entered the economy, we passed the GI Bill to help them. Similarly, we must help workers in the industries of yesterday become leaders in the industries of tomorrow. And we must help communities that are dependent on carbon-intensive industries to embrace new economic development strategies.

We recommend a range of transition policies from income and benefits replacement, career counseling, and training for workers to investments in brownfield and coal mine remediation for communities. In the same spirit of a fair and just transition, we recommend the committee include direct assistance to those low- and moderate-income consumers who will have the hardest time adjusting to the short-term energy cost increases that will come as we move to a carbon-constrained world.

Only by ensuring that all Americans come out winners will we build enough public support to do what must be done on the scale necessary to boost the economy, stabilize the climate, and achieve energy independence.

As the committee considers the draft put forward by Chairmen Waxman and Markey, we encourage you to think big. Think not only about the millions of barrels of imported oil and the billions of dollars in energy costs we will ultimately save if we reduce the carbon we pour into the atmosphere; think also about the

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countless Americans who might finally be able to earn a living wage, or enter the middle class, or invent a new cutting-edge energy technology if we embrace and invest in the transition to a clean energy future.

Time and again in our history, periods of great risk have prompted America to mobilize its wealth, skills, leadership, natural resources, and entrepreneurial spirit to overcome the challenges confronting us. Time and again, we have emerged from crisis better and stronger.

With your leadership, we know this country is up to the current challenge.

Thank you.

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Friday, April 17, 2009

The Honorable Nancy Pelosi
The Office of Speaker of the House Nancy Pelosi
H-232, United States Capitol
Washington, DC 20515

The Honorable Henry A. Waxman
United States House of Representatives
2204 Rayburn House Office Building
Washington, DC 20515

The Honorable Harry Reid
The Office of Senate Majority Leader Harry Reid
522 Hart Senate Office Building
Washington, DC 20510

The Honorable Jeff Bingaman
United States Senate
703 Hart Senate Office Building
Washington, DC 20510

Dear Speaker Pelosi, Majority Leader Reid, Congressman Waxman, and Senator Bingaman:

As Congress prepares to debate upcoming energy and climate bills, you have an opportunity not only to help make America a global leader in clean energy but also to strengthen our middle class, which has shed 4.6 million manufacturing jobs since 1999, including more than a million since late 2007. We can accomplish both of these ends by investing in the manufacture of renewable energy and energy efficiency systems, especially small firms that make component parts for these systems.

Demand for clean energy technology is on the rise: the domestic market for solar panels, wind turbines, and biofuel equipment will reach $325 billion annually by 2018. A national renewable electricity standard will increase this demand, as will an eventual carbon pricing program. However, if legislation does not help domestic manufacturers retool their facilities and retrain their workers to produce clean energy products, we will be unable to meet this demand with American supply. And if we do not ramp up American supply, the jobs and other economic benefits of the clean energy future will go overseas, leaving us just as energy dependent on foreign countries as we currently are for fossil fuels.

We must invest in domestic manufacturing to ensure that clean energy products are made in America. This investment should use multiple financial instruments, including direct loans, bonds, and tax credits, and target the entire supply chain, from original equipment manufacturers to component parts suppliers. It should help manufacturers meet international product standards so that systems and components are compatible with their foreign counterparts, granting us access to overseas markets. Importantly, federal dollars should go only to firms providing well-paying jobs with benefits.

We estimate that $50 billion in federal and private financing for industrial retooling and retraining programs could create 1 million new jobs (250,000 direct manufacturing jobs and an additional 725,000 indirect jobs) and generate as much as $120 billion in industry revenue. This investment would capture only a fraction of the clean energy economy's potential: by installing enough new clean energy equipment to generate 25 percent of our electricity, we could create approximately 3.5 million new jobs (1 million direct manufacturing jobs and 2.5 million indirect jobs) and revenues of over $400 billion.

Investing in manufacturing in energy and climate legislation will ensure that clean energy technologies are not only installed in America, but made and assembled here as well. We need a strong commitment by the federal government to invest in quality manufacturing jobs, invest in energy independence, and invest in our future.

Thank you for considering this important request.

Sincerely,

Phil Angelides, Chairman

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