PUTTING AMERICA ON THE PATH TO CLEAN ENERGY:

A Presidential Plan of Action for the First 100 Days

Written by:
Bernadette Del Chiaro
Environment America

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Introduction

The 44th president of the United States will enter office on January 20, 2009 facing an unprecedented energy crisis, and boundless clean energy opportunities.

America's addiction to dirty and dangerous sources of energy is the root cause of America's energy crisis and is responsible for many of the nation's biggest challenges.

Americans are hungry for leaders who understand these challenges—and who have the vision and commitment needed to launch America on a clean energy path.

The next president must pledge, now during the campaign season, to commit to make clean energy a top priority. Then, when the 44th president assumes office in early 2009, he or she must act aggressively and promptly— beginning with the first 100 days — to lead America to a clean, secure energy future.

This paper lays out twelve achievable yet ambitious actions – ranging from increasing energy efficiency to installing more solar power – which the next president should, at a minimum, take within the first 100 days in office to put America on the clean energy path. This list is not meant to be exhaustive of all the clean energy actions the president could take. Instead, it offers a minimum level of action that the president should take if he or she truly wishes to put America on the path toward clean energy.

"First 100 Days"
Presidential Actions for Clean Energy

1. Announce clear clean energy goals for America
2. Make appliances and equipment more efficient
3. Make America's buildings more efficient
4. Reduce oil consumption in transportation
5. Increase renewable energy
6. Make solar power a cornerstone of our energy future
7. Invest in clean energy R&D
8. Prioritize efficiency and renewables at utilities
9. Place a moratorium on all new coal plants
10. Place a moratorium on new nuclear power
11. Fight global warming
12. Create partnerships with local governments to achieve national clean energy goals

This paper closely follows a previous Environment America publication, "Clean Energy for America: Why the 44th President Must Put America on the Clean Energy Path," that explains why the next president can and must act immediately to address America's growing energy crisis. This report lays out a broader course of action for meeting America's future energy needs with energy efficiency and clean, renewable energy. It is available for download from www.environmentamerica.org.

Clean Energy Action for the 44th President: The First 100 Days

From the inaugural address to Earth Day 2009 and beyond, the 44th president has the opportunity and responsibility to act boldly and immediately to put America solidly on a clean energy path, reversing decades of addiction to fossil fuels and other dangerous and expensive forms of energy.

The following twelve actions are all within the president's authority and are feasible within a 100 day period of time. They are, at a minimum, the first steps the next president should take to bring clean energy to America.

ONE

Announce Clean Energy Goals for America

A New Energy Future for America begins with setting clear goals for our nation's future economic and environmental health. The challenges facing America are large and the opportunities are even larger. The goals set by the next president must be ambitious enough to meet our greatest challenges and to take advantage of the opportunities ahead. Specifically, the 44th president should establish clear goals during the inaugural address that put America on the clean energy path. The president's goals for the country should include the following:

- **Reduce our dependence on oil** by saving at least one-third of the oil we use today by 2025 through energy efficiency improvements and a switch to cleaner fuels.
- **Harness clean, renewable, homegrown energy** sources like wind, solar and farm-based bio-fuels for at least a quarter of all energy needs by 2025.
- **Save energy** with high performance homes, buildings and appliances so that by 2025 we use at least 10 percent less energy than we do today.
- **Invest in new energy technologies and resources** by committing $30 billion over the next 10 years to the development of clean energy solutions and shifting funds away from dirty energy resources.

TWO

Make Our Appliances & Equipment More Energy Efficient

The first step toward a clean energy future for America is to use energy more wisely. Virtually everywhere in America – from our homes to our offices to our industrial facilities – there are myriad opportunities to use energy more efficiently through new technologies and sensible conservation practices. Within the first 100 days in

office, the 44th president should, at a minimum, do the following:

- Ensure federal compliance with all statutory and court-ordered deadlines for new appliance efficiency standards. Under legal deadlines set by the Energy Policy Act of 2005 and the Energy Independence and Security Act of 2007, the Department of Energy (DOE) must update or establish new standards for eight products by 2012 including home refrigerators, small power supplies for electronic products (a.k.a. electricity "vampires"), walk-in refrigerators and beverage vending machines.[1] In addition, under a court-ordered consent decree resulting from a lawsuit brought by states and advocacy organizations (*State of New York v. Bodman* and *NRDC v. Bodman*), DOE must complete sixteen long overdue standards required by the 1987 and 1992 appliance laws. Affected products include water heaters, pool heaters, office-type fluorescent lamps, room air conditioners and clothes dryers.[2]

- Order the DOE to grant expeditious and favorable review to states seeking waivers from federal preemption to implement state home furnace standards stronger than the weak federal minimum levels established by the Bush administration. Massachusetts, Vermont and Rhode Island are preparing petitions for waivers and other states may join them.[3]

- Initiate a new federal standard-setting process to consider upgrading the national home furnace energy efficiency standards. The Bush administration completed a review in 2007, but, despite agency analysis showing that stronger standards are cost-effective; DOE established a new standard that will achieve almost no new energy savings since 99% of current sales already meet the standard.[4] In addition, the federal Energy Independence and Security Act of 2007 clarified DOE authority to establish regional standards for furnaces, which will likely open the door to stronger standards for at least the northern portion of the country.

- Reverse the Bush Administration's denial of a preemption waiver request from the state of California, which requested permission to establish clothes washer efficiency standards stronger than federal minimums.[5]

- In alignment with the policy recommendations found in the Presidential Climate Action Project (PCAP) report, the president should direct the Department of Energy to review and update each existing energy efficiency standard on a regular timetable and direct the DOE to identify all barriers to timely action on appliance efficiency standards, including staffing and funding needs and unnecessary requirements, and commit to champion the necessary appropriations and procedural reforms by Congress.[6]

THREE

Make America's Buildings More Energy Efficient

America's residential and commercial buildings account for nearly 40% of the nation's energy consumption.[7] While the country has made great progress in making buildings more energy efficient over the past few decades, there is much more we can do to reduce energy consumption in homes and businesses. The federal government can play the leading role in ensuring America effectively taps into this cost-effective energy resource. To make America's homes, businesses, schools and other buildings more energy efficient, the 44th president should, at a minimum, take the following actions within the first 100 days in office:

- Direct the Department of Energy (DOE) to speed up its "determinations" of new

building codes. Once DOE has determined that a new residential or commercial building code saves energy, states are required either to upgrade to the new code or to justify in writing why they won't. The new president should set a goal of making those determinations on existing codes by a date certain and then should ask Congress to encourage or require states to adopt the most recent codes.

- As suggested by the Presidential Climate Action Project, the president should call for enactment of the building-related energy efficiency provisions of HR 3221, the energy efficiency legislation passed by the House in the 110th Congress but never take up by the Senate in late 2007. These provisions could reduce projected energy consumption in the buildings sector 20% by 2030 and 25% by 2050.[8] The provisions include an energy efficiency standard calling for a 20% savings in residential buildings by 2010 and a 50% savings by 2020, a stronger building code for manufactured housing, and extension of tax credits for energy-efficient appliances and energy efficiency improvements to commercial buildings.[9]

FOUR

Reduce Oil Consumption in Transportation

America's dependence on oil – particularly foreign oil – is one of the biggest challenges to a secure energy future. Fortunately, there are many sensible tools America can use to break that dependence. To get America down the road of true energy independence, within the first 100 days in office, the 44th president should, at a minimum:

- Direct the National Highway Traffic Safety Administration (NHTSA) to raise fuel economy standards for cars, light trucks and SUVs to at least 45 miles per gallon over the next decade and a half.

- Direct the NHTSA to increase fuel economy standards for heavy-duty trucks by 50% within the next decade and a half.

- Direct the U.S. EPA to adopt a national low-carbon fuel standard to ensure that alternative plant-based fuels like ethanol and biodiesel deliver the maximum benefits for the environment and our energy security.

- In the FY10 budget, the president should shift subsidies away from dirty energy resources and propose dramatic increases in funding for public transit and rail as well as provide incentives for alternative transportation choices like telecommuting, carpooling, biking and walking.

FIVE

Increase Renewable Energy

America has vast potential to take advantage of natural forces – the movement of wind and water and the energy provided by the sun – to power our economy. Nearly half of the states in the U.S. have adopted Renewable Electricity Standards. This policy, along with tax incentives for renewable energy, is one of the most effective ways to increase renewable energy in the U.S. To tap into America's vast wind, solar, geothermal and other homegrown renewable energy resources, within the first 100 days in office the 44th president should, at a minimum:

- Call for a national renewable electricity standard for all utilities, including municipal utilities. This standard should require that at least 25% of the nation's electricity come from clean renewable resources such as solar, wind, geothermal and tidal power by 2025. The standard should not include large-scale hydroelectric power, nuclear power or incinerators.

- As a cornerstone policy aimed at meeting this national clean energy standard, the president should call for the extension of the national production tax credit for wind, solar and other renewable energy technologies. These tax credits should be extended 10 years to give the industry and utilities the market assurance they need to invest in capital-intensive renewable energy projects.

SIX

Make Solar Power a Cornerstone of America's Energy Future

While all renewable energy technologies must play an important role in meeting America's future energy needs, solar power arguably represents the greatest untapped resource and therefore one of the greatest opportunities to dramatically ramp up America's use of clean, renewable energy. To harness America's enormous solar power potential and make America once again the world's leader in development of solar energy, the next president should make it clear that solar power is a cornerstone of his/her energy plans. At a minimum, within the first 100 days in office, the 44th president should:

- Set a national goal of building several new large-scale solar power plants within the next few years.

- Set a national goal of installing solar energy technologies on at least 10 million rooftops by 2020.

- Call for the extension of the investment tax credit for renewable energy, including clean distributed technologies such as solar photovoltaic systems and solar water heaters. This tax credit should be extended 10 years to give the industry and consumers the assurances they need to make large up-front investments in clean energy technologies.

SEVEN

Invest in Clean Energy R&D

In addition to well-known clean energy solutions such as solar and wind power and energy efficiency, the next president should also ensure that America heavily invests in research and development of new clean energy technologies. Worthy topics to be researched and promoted include developing the next wave of fuel economy improvements for vehicles; finding the best ways to effectively use plant-based fuels and feedstocks while investigating processes to mitigate any negative environmental impacts that may result; developing more energy-efficient consumer products, office equipment and industrial equipment; and devising a plan for the intelligent transition of the nation's electric grid from one powered mainly by large fossil fuel and nuclear power plants to one powered primarily by renewable energy. Specifically, within the first 100 days in office, the 44th president should:

- Shift subsidies away from dirty, unsustainable energy resources and propose a $3 billion fund for research and development of clean renewable energy and energy efficiency for 2009. This fund should be renewed for the next 10 years, committing a total of $30 billion over the next decade.

EIGHT

Prioritize Efficiency and Renewables at Utilities

America's utilities must play a leading role in putting America on a clean energy path. Currently, most of the nation's investor-owned utilities, as well as public and cooperatively-owned utilities, are regulated in such a way as to promote energy consumption at the expense of conservation, efficiency and renewable energy. To remove this barrier to a clean energy future, the president should, at a minimum, do the following within the first 100 days in office:

- Direct the Federal Energy Regulatory Commission (FERC) to play a proactive role in ensuring that investments in new transmission capacity prioritize clean, renewable energy, including prioritizing the building up of transmission capacity to areas of high renewable energy potential, such as high wind zones. FERC should also play a proactive role in ensuring that energy efficiency and clean distributed generation be considered prior to the approval of rate recovery for new transmission investments.[10] FERC should be directed to be more aggressive in setting standards for Regional Transmission Organizations' (RTO) performance and conduct that measure transmission need over other alternatives, such as efficiency, demand response measures and clean distributed generation. FERC should ensure that all new transmission investment proposals demonstrate that these alternatives have been thoroughly considered and rejected for sound reasons.[11]

- Convene a meeting with all of the state public utility commissions and other local decision-making authorities to discuss the value and need for all utilities in the country to adopt policies that decouple utility profits from sales thereby removing profit-motivated barriers to conservation, efficiency and clean distributed generation. While state and local agencies retain rate-making authority over local utilities, the issue of detaching profits from sales within the utility industry is of national importance and a national conversation, convened by the federal government, is greatly needed.[12]

NINE

Place a Moratorium on New Coal Power Plants

Coal-fired power plants are the number one source of global warming pollution in the United States. Under business as usual conditions, America will consume 41% more coal by 2030 than we do today and as a result 25% more global warming pollution.[13] Despite the hype regarding "clean coal" technologies, there are no coal-fired power plants anywhere in the world that currently store carbon dioxide underground at the scale needed to meaningfully reduce global warming emissions. In order to wean America from its addiction to this dirty energy resource, within the first 100 days, the president should at a minimum:

- Call for a moratorium on the construction of all new coal-fired power plants and work with the relevant federal agencies and the states to implement this moratorium and replace all existing projects with energy efficiency, conservation and clean, renewable energy.

TEN

Place a Moratorium on New Nuclear Power Plants and Halt License Extensions of Aging Plants

Nuclear power has been tried and found wanting for economic, environmental and public safety reasons. Furthermore, nuclear power generates highly radioactive waste with no good disposal option. Neither the construction of new nuclear power plants nor the license extension of America's 104 existing nuclear power plants offer a good option for meeting America's future energy needs. Therefore, to shift America away from nuclear power, within the first 100 days in office, the 44th president should at a minimum:

- Order the Nuclear Energy Regulatory Commission to implement a moratorium on the construction of all new nuclear power plants, including the license extensions for existing plants. The president should work with the relevant federal agencies and the states to replace

nuclear power with energy efficiency, conservation and truly clean, renewable energy.

ELEVEN

Fight Global Warming

Enacting a strong economy-wide cap on global warming pollution would provide a powerful incentive to switch from fossil fuels to energy efficiency and clean renewable sources of energy. The president should make America a world leader in fighting global warming. Within the first 100 days in office, the 44th president should at a minimum:

- Immediately reverse the Bush Administration's denial of a waiver for California and 14 other states that have adopted, or are considering adoption, of the Clean Cars Standard under the Clean Air Act.[14]

- Direct the Environment Protection Agency to initiate a rulemaking leading to a national cap on global warming emissions consistent with what science says is necessary to avoid the worst impacts of global warming.

TWELVE

Create Dynamic Partnerships with States to Achieve National Clean Energy Goals

While the federal government must play the leading role in putting America on a clean energy path, it is critical that the states and local governments be brought into the president's clean energy vision early on. Within the first 100 days, the president should, at a minimum;

- Convene a meeting with all of the state public utilities commissions and other local decision-making authorities to discuss the value and need for all utilities in the country to adopt policies that decouple utility profit from utility sales (see Action #8 above for more detail).

- In line with the recommendations of the Presidential Climate Action Project (PCAP), the president should propose that $1 billion annually be made available to the states contingent upon the adoption of clean energy plans to accomplish the president's national clean energy goals.[15] Specifically, each state's clean energy plan should contain, at a minimum:

    - Policies and programs that will substantially increase renewable power generation and energy conservation.

    - A report on the state's full potential for increasing energy efficiency and conservation as well as clean, renewable electricity generation and transmission capacity, including demand-side technologies and distributed generation.

    - A plan to adopt or exceed the latest and most progressive model national building codes, and to provide sufficient training for local code officials, designers and builders.

    - A plan to adopt policies that foster clean distributed generation such as feed-in tariffs, net metering, and uniform interconnection standards.

Notes

[1] For more information, see U.S. Department of Energy, Energy Efficiency and Renewable Energy Division *Network News*, downloaded from http://www.eere.energy.gov, 3 January 2008; or see the Appliance Standards Assistance Project News Release *Appliance Efficiency Standards in the 2007 Energy Bill: Key Facts*, downloaded from www.standardsasap.org, 3 January 2008.

[2] For more information, see U.S. Department of Energy *Implementation Report: Energy Conservation Standards Activities; Submitted Pursuant to Section 141 of the Energy Policy Act of 2005*, February 2007.

[3] Appliance Standards Awareness Project Press Release, *New U.S. standard for home furnaces is a "turkey"* November 19, 2007, downloaded from www.standardsasap.org, 3 January 2008.

[4] Ibid.

[5] For copy of DOE waiver denial see Federal Register / Vol. 71, No. 249/ December 28, 2006.

[6] Presidential Climate Action Project, *The Presidential Climate Action Plan*, University of Colorado, Denver, School of Public Affairs, December 15, 2007, pg 6:9.

[7] See note 6 for further information on this statistic. The PCAP report cites the Energy Information Administration's (EIA) *Annual Energy Outlook2007* report, www.eia.doe.gov/oiaf/aeo/index.html and the EIA's *Commercial Buildings Energy Consumption Survey* from 2003 as sources.

[8] Energy Information Administration, *Residential Energy Consumption Survey 2001,* table CE1-6.2u, www.eia.doe.gov/emeu/recs/recs2001/ce_pdf/enduse/ce1-62u_sqft_useind2001.pdf; EIA, Residential Energy Consumption Survey 2004, table 1.2.5, cited in Loper et al., Building on Success, 68n3.

[9] Only a portion of the energy efficiency standards for buildings was passed by the Senate and signed into law by President Bush in December 2007. A number of important energy efficiency provisions that passed the House were not adopted by the Senate. For more information on these standards, see American Council for an Energy-Efficient Economy, Fact Sheet *Major Energy Efficiency Issues likely to come before Congress in 2008 or 2009 Major Energy Efficiency Issues likely to come before Congress in 2008 or 2009* downloaded from www.aceee.org, 3 January 2008.

[10] This policy is referred to as the "Efficient Reliability Standard". See Richard Cowart, Regulatory Assistance Project *Efficient Reliability The Critical Role Of Demand-Side Resources In Power Systems And Markets*, pg. 52.

[11] Phone conversation with Richard Sedano, Regulatory Assistance Project, 2 January 2008.

[12] Ibid.

[13] U.S. Department of Energy, Energy Information Administration, *Annual Energy Outlook 2008 (early release)*, December 2007.

[14] See Environment California Research & Policy Center, *Media Statement on US EPA Denial of Waiver for California Clean Cars Program*, December 19, 2007, http://www.environmentcalifornia.org/newsroom/energy/energy-program-news/media-statement-on-us-epa-denial-of-waiver-for-california-clean-cars-program)

[15] See note 6.

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Federal Office:
218 D St. SE
Washington, DC 20003

44 Winter St., 4th floor
Boston, MA 02108

1536 Wynkoop St. Suite 100
Denver, CO 80202

3435 Wilshire Blvd., #385
Los Angeles, CA 90010

www.environmentamerica.org