

*****Embargoed until 9:30 a.m. PT/12:30 p.m. EST on Aug. 30, 2011*****

**Outline of Prepared Remarks
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*National Clean Energy Summit 4.0: the Future of Energy
Aug. 30, 2011, Aria Resort@CityCenter, Las Vegas, NV*

Why is a green building/policy geek here...and do I get it that this is supposed to be about jobs?

- I'm here to talk about how buildings account for 70% of our country's electricity consumption and 40% of our total greenhouse gas emissions. A huge part of that impact comes from completely avoidable and staggering energy waste.
- But I'm also here so you understand that in stopping that waste -- especially through building energy retrofits -- we can tap a major source of projects and jobs that can't be exported and that have huge up-stream and down-stream supply chain implications. In other words we can promote the kind of jobs that our fellow Americans need and deserve...and that everyone here today is committed to advancing.

So what is this "staggering" waste.....?

- According to our highly respected sponsor for this summit, the Center for American Progress our country spends about 400 billion dollars a year to power all our commercial and residential buildings and according to a McKinsey & Co. study a good \$130 billion of that or more than 30% is WASTED energy. Most of these buildings both commercial and residential are egregious energy hogs. The appalling waste of money must be halted as soon as possible – so we can re-direct those precious resources into jobs for our brother, sisters, nieces, nephews, children and grandchildren.

.....and what is the Opportunity?

- The opportunity here is to stop this waste in a way that actually creates jobs and new industries and in a way that brings a taste of a better future to *more* Americans...*more* quickly.
- The vast majority of the technology necessary to take our buildings to the next level in terms of energy performance **already exists** but it is being deployed way too slowly. (Since 1980 the energy performance (as measured per unit of floor space in the United States) has actually improved by 11 percent in residential and 21 percent in the commercial sector...and while shockingly that is a lot better than increases in the efficiency of new US made cars over that time....it is still not very impressive.)
- To speed up our progress the members of the US Green Building Council, our Department of Energy and others have been encouraging the construction of demonstration projects such as the awesome one we are in today. In the case of our organization, it has to be said, that with all our strengths and weaknesses, we have helped to launch the largest green economy demonstration project in history.....we now have over 10,000 certified green commercial buildings (over 1.5 billion square feet) and many more certified homes. The rate of growth in this demonstration project is impressive. We now certify (even during this huge recession) more than 1.5 million square feet or about 3 Empire State Buildings a week....we certify a lot more homes and we get ever-increasing numbers of registrations (or commitments to build to our standard) every week from over 129 countries.
- These projects and projects like the one we are in today give us a tantalizing taste of the future and prove that high performance building construction and management can be doneand in most cases, at no additional cost. The folks who live and work here at CityCenter are the lucky few that already enjoy the benefits of super efficient design and building technologies while breathing cleaner air than most Americans breathe outside....

- But the occupants of CityCenter join a diverse group of other Americans living in green homes and working in green offices and green schools. Most of those homes are affordable homes...the schools are mainly public schools. There is perhaps less of a green divide than you might imagine.
- But while the demonstration project is large as such things go....in terms of a percentage of overall buildings it is still very small.
- I guess, perhaps, our current state of affairs was well summed up by William Gibson the "noir prophet" of the cyberpunk subgenre of science fiction who also coined the term "cyberspace". He said perhaps equally famously that "the future is already here — it's just not very evenly distributed" So how do we do that?

How do we make sure the future (which is already here) is more evenly distributed?

- *To ensure a more evenly distributed future, we need to help instigate and accelerate a revolution of innovation in the building sector. Let me explain first by way of contrast with a very innovative sector. If I were to invite Thomas Edison back from the grave he would be astonished by my I-phone or similar devices that fit in the palm of my hand. In one elegant **uber-integrated** design he would see modern-day hyper-miniaturized variants of the camera, film, movies, record player, records, telephone and telegraph technologies he helped create and/or perfect.*
- *The device, I would explain reflects countless cycles of innovation, new industries and new jobs. That same promise still exists for the building sector but is woefully under-exploited. Unfortunately, today most people in this country live and work in buildings are more similar to – than they are different from – those that existed during Edison’s lifetime.*
- *The exception I would argue...are the green building projects ...these are brimming with innovation ...and as a case in point, let us take the remarkable series of buildings that comprise the CityCenter....it is the world’s largest mixed use sustainable project to receive LEED certificationit has its own co-gen power plant and transportation system...but it is also intimate...a City within a City...compact and elegantly designed.*

- But the projects design and innovation accomplishments don't end with the buildings. The project itself has been an incubator for the design of new super-efficient green products. These products are made in America and are now sold widely to the general public. That is truly a great legacy of economic stimulation of which MGM can be very proud. But wait...there is more. CityCenter employed an entirely new profession of green experts, - LEED accredited professionals – 60 of them in the course of construction. In the process helping us grow that new job category to over 170,000 people. Far more importantly MGM *has also ensured that more than 10,000* vendors, retailers, construction workers, and interior designers working here are learning green building principles and strategies that they can contribute on at their next job site far beyond Las Vegas and Nevada.
- And because this building followed the LEED standard it was given special credit for using products manufactured within a 500 mile radius...and use those products they did. In the case of CityCenter they used products from 260 local manufacturersthis made environmental sense (cutting down on transportation related environmental footprint) and helped the local economy. Of course, this is just the tip of the ice-berg in terms of what the green building revolution is generating in the way of new products and services...products and services that create new jobs. At our annual conference last year in Chicago about 28,000 people showed up and walked through three football fields of green products and services....many of which didn't exist the year before.

So how can policymakers help promote this innovation and job creation?

- Today if in my business I waste more energy than you do...I get a ***bigger*** business expense tax deduction under federal and state laws....but if I invest in the kind of project I've been discussing the tax consequences can be quite negative. This imbalance can and should be addressed through tax policies that I'm very pleased are finally under serious consideration in Washington. Also being advanced by our leaders in Washington are policies that would provide loan guarantees (and other credit enhancements) to businesses and other organizations that need capital to accomplish the kind of retrofit ramp-up I've described. Also, we need and some in Washington are pushing for, policies that will ensure real estate

appraisals take into account the full value of super efficient building investments....to give lenders greater confidence when underwriting such projects. Let me acknowledge with the Energy Secretary here and the Vice President on his way that this Administration really gets this issue and its Better Buildings Initiative encompasses the kind of policy changes necessary to make the future more evenly distributed.
