

FOR IMMEDIATE RELEASE
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Senators Urge Supercommittee to Reduce Debt Through Clean Energy and Conservation

Washington, DC – With less than five weeks until the Joint Select Committee on Deficit Reduction is due to submit its plan to reduce the long-term national debt, a group of U.S. Senators sent a letter to the Democratic and Republican Co-Chairs of the committee urging them to seek savings in federal energy costs through a number of clean energy and energy efficiency strategies. U.S. Senator Sheldon Whitehouse (D-RI) led the letter, which was also signed by Senators Barbara Boxer (D-CA), Richard Blumenthal (D-CT), Ben Cardin (D-MD), Thomas R. Carper (D-DE), Al Franken (D-MN), Jeff Merkley (D-OR), Bernie Sanders (I-VT), and Jeanne Shaheen (D-NH).

The letter notes that the federal government is the single largest owner of real property and the single largest consumer of energy in the United States, and that the government purchases more than \$500 billion in goods and services every year. “In each of these categories, there are opportunities to reduce government energy costs and put that money instead toward job creation and debt reduction,” the Senators wrote.

In addition to listing more than a dozen specific cost-saving measures, the Senators called on the committee to end needless subsidies to mature, highly profitable companies in the oil and gas industries, and to protect existing federal investments in clean energy and energy efficiency programs.

The full text of the letter is below.

October 21, 2011

The Honorable Patty Murray, Chair
Chair
Joint Select Committee on Deficit Reduction
Deficit Reduction
448 Russell Senate Office Building
Washington, DC 20510

The Honorable Jeb Hensarling,
Joint Select Committee on
129 Cannon House Office Building
Washington, DC 20515

Dear Chairwoman Murray and Chairman Hensarling:

We write to urge the Joint Select Committee on Deficit Reduction to consider clean energy and energy efficiency options to reduce our national debt and create jobs. The potential for savings in this area is substantial. The federal government is the single

largest owner of real property in the United States, with the General Services Administration alone owning nearly 2% of all U.S. commercial real estate. The federal government is also the single largest consumer of energy in the United States, spending more than \$24.5 billion on electricity and fuel in 2008 alone. In addition, the government purchases more than \$500 billion in goods and services every year. In each of these categories, there are opportunities to reduce government energy costs and put that money instead toward job creation and debt reduction.

In general, we encourage the Committee to set an overarching goal of implementing all energy-saving measures that are cost-effective to the taxpayer over a reasonable payback term, taking into account the long-term benefits of these measures in considering their true budget effect. We also ask the Committee to consider the following suggestions to reduce federal energy costs. These are common sense ideas from existing proposals, and many have received bipartisan support, including in legislation reported out of the Energy and Natural Resources Committee.

Buildings

- ❖ Require periodic commissioning of federal buildings, to ensure that the buildings are performing to optimum efficiency;
- ❖ Require federal building leases to include a maximum energy intensity requirement, so that leased space is not using more energy than the government requires;
- ❖ Update energy efficiency baseline standards after a reasonable time for review rather than relying on a positive determination from the Department of Energy;
- ❖ Allow the General Services Administration to update outdated building designs using its existing funds;
- ❖ Where cost effective, require retrofits of existing federal buildings to meet model building energy codes; and
- ❖ Promote Energy Savings Performance Contracts to save the government money with no upfront capital cost.

Electricity

- ❖ Allow for renewable energy power purchase agreements of longer than 10 years, so that the government can negotiate better prices;
- ❖ As part of its renewable energy purchase requirements, allow the government to purchase thermal energy, which is often more cost effective than electric energy; and
- ❖ Promote the increased use of renewable energy, which is often cost competitive with conventional energy, particularly over the long term.

Products

- ❖ Better manage government computer energy use by using more efficient computers, automating computer shutdown, and transitioning to cloud computing where appropriate;

- ❖ Encourage the government to purchase energy and water efficient products by including environmental performance as a factor to be considered in federal acquisitions;
- ❖ Expand the ability of the government to purchase fuel efficient, hybrid, and electric vehicles for the federal fleet; electric vehicles can cost up to 7 times less to fuel than conventional vehicles; and
- ❖ Allow Energy Service Companies to install electric vehicle charging infrastructure as part of federal government contracts.

In addition to considering these energy saving measures, we encourage the Committee to cut unneeded subsidies to oil and gas companies, as several Senators called for in a letter led by Senator Menendez. These subsidies for mature, highly profitable companies should be a clear target when we are asking for difficult cuts across the federal budget.

The Committee should, however, protect federal investments in clean energy and energy efficiency programs, which will create jobs in new and growing industries, reduce pollution, and promote energy independence. A Brookings Institute study found that over a seven year period from 2003 to 2010, solar jobs expanded by over 10% per year and wind jobs by nearly 15% per year. In 2010, the solar industry employed 93,000 Americans, and the wind energy industry employed 85,000 Americans. The American clean energy and energy efficiency sectors are poised for substantial growth, and the Committee should continue to invest in programs that will support this vital expanding sector of our economy.

Thank you for considering our recommendations. Please do not hesitate to contact us or our staff with any questions.

Sincerely,

Senators, Whitehouse, Boxer, Carper, Cardin, Sanders, Shaheen, Merkley, Franken, and Blumenthal