

HOW FAR CAN \$25 BILLION GO?

An Update on the New U.S. Clean Energy Policy Initiatives.

ASIA CLEAN ENERGY FORUM 2009

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INVESTING IN SOLUTIONS THAT ADDRESS CLIMATE CHANGE AND ENERGY SECURITY

I'm Here To Discuss

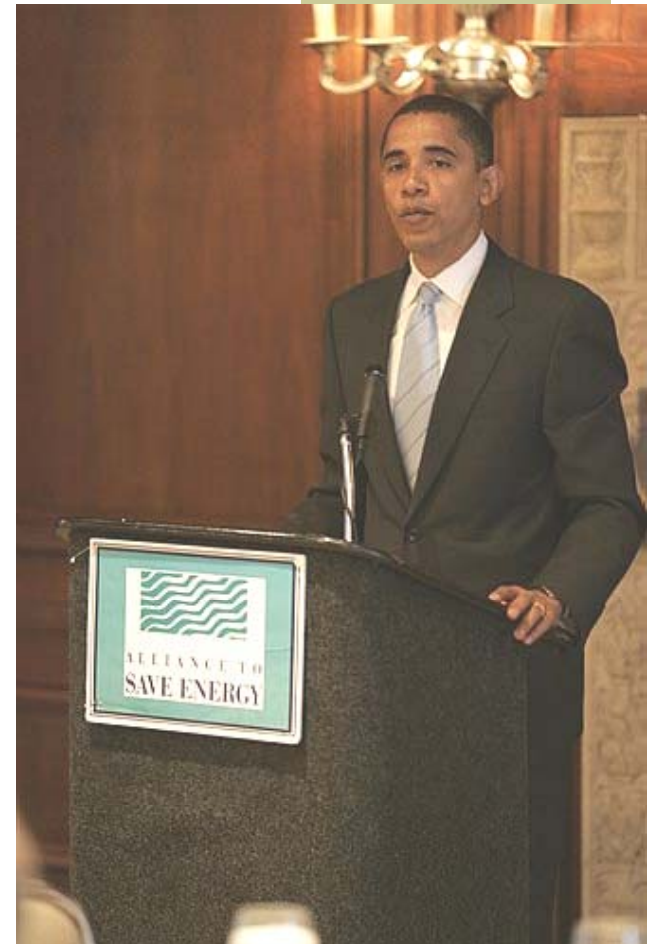
- ◆ **Pres. Obama's Major Turn Around in Clean Energy Policy**
- ◆ **U.S. Spending \$25,000,000,000 on Clean Energy in 2 yrs**
- ◆ **Pending U.S. Climate Change (Carbon) Legislation**



A New Era for Clean Energy Policy Under President Obama

- Return US to 1990 GHG levels by 2020
- Reduce electricity use 15% by 2020
- Build Net-zero energy bldgs by 2030
- Overhaul Federal appliance standards
- Reduce energy 45% in new federal buildings & 25% in existing by 2014,
- Flip financial incentives for utilities
- Invest in a “smart electric utility grid”
- Weatherize 1 million homes/year

(Source: Alliance to Save Energy/J. Harris)



U. S. ALL-STAR TEAM ENERGY & ENVIRONMENT



Carol Browner,
Climate Czar



Steven Chu,
Secretary of Energy



Lisa Jackson,
EPA Administrator



Hillary Clinton,
Secretary of State



Ken Salazar,
Secretary of Interior



Nancy Sutley,
Chair of Council of
Environmental Quality



John Holdren,
National Science Advisor

\$787 B IN STIMULUS FUNDS FOR U. S. ECONOMIC RECOVERY

- ◆ Of total \$787 B, about \$25 B is “core” EE funding:
 - \$3.1 B State Energy Programs (100x one-yr increase)
 - \$3.2 B EE Community Block Grants (\$400 M competitive)
 - \$0.4 B Advanced Energy R&D
 - \$4.5 B GSA “High-Performance Federal Buildings”
 - \$0.5 B Green Jobs
 - \$5.0 B Weatherization Assistance Program (Broader coverage)
 - \$2.3 B Retrofits in federally assisted housing (20% EE);
 - \$4.5 B Smart Grid investments (EE and R&D)
 - \$0.3 B Energy Star appliance state rebates (Source: ASE/Harris)

DEPT. OF ENERGY GOT \$45.2 B

(SOURCE: USDOE)

Department of Energy Program Office	Recovery Act (\$ Millions)
Office of Energy Efficiency & Renewable Energy	\$16,800
Office of Science	\$2,000
Office of Electricity Delivery and Energy Reliability	\$4,500
Office of Fossil Energy	\$3,400
Office of Environmental Management	\$6,000
DOE TOTAL (Excluding Loans)	\$32,700
Office of the Chief Financial Officer - Technology Loan Guarantee	\$6,000
Power Marketing Administrations - Borrowing Authority	\$6,500
DOE TOTAL (Including Loans)	\$45,200

Spending Criteria

- ◆ spend in 2 years “Shovel Ready” projects
- ◆ Create sustainable green jobs
- ◆ Save energy and carbon
- ◆ Focus on existing programs
- ◆ Revolving funds given priority

Major Funding Areas

- ◆ **Buildings – Federal and Low-Income**
- ◆ **Renewable Energy Projects**
- ◆ **Green Transportation**
- ◆ **Expansion of existing efficiency programs**
- ◆ **Smart Grid research and investment**
- ◆ **Loan guarantees and grants**

4 MAJOR ENERGY ACTS IN 4 YEARS!

- ◆ 2005: Energy Policy Act (1st bill in 10 yrs.)
- ◆ 2007: Energy Independence Security Act
Financial Incentives
- ◆ 2008: Emergency Economic Stab. Act (Tax Incentives)
- ◆ 2009: American Reinvestment & Recovery Act
New Congress Not Done Yet
- ◆ House & Senate – Energy and Cap & Trade Bills

MAJOR HOUSE LEGISLATION

| “WAXMAN-MARKEY” BILL

American Clean Energy & Security Act of 2009

- ◆ Major Provisions include:
 - “Cap & Trade” Legislation
 - Renewable Electricity & Energy Efficiency Standard
 - Clean Energy Development Administration (DOE Bank)
 - Updated Appliance Standards & Building Codes
 - Electric Vehicle Manufacturing & Infrastructure
 - “Cash for Clunkers” Vehicle Rebate Program
 - Electricity Siting and Transmission Planning
 - Clean Energy Innovation Research Centers
 - Smart Grid

SENATE CLEAN ENERGY BILL

◆ 15 bills will be combined into one Senate Energy Bill

- S. 949 | Clean Energy Development Admin. (DOE Bank)
- S. 661 | Industrial Manuf. Efficiency Grants & Programs
- S. 598 | Appliance Standards Upgrades
- S. 539 | Renewable Energy Regional Planning
- S. 531 | Water-Energy Impact Assessment
- Draft - Renewable Electricity Standard
- Draft - Building Code Upgrades and Grant Program
- Draft - National Electricity Transmission Planning

What's Missing for Now? Cap & Trade

MAJOR TAKE AWAYS

- **Dramatic new policies in US - stay tuned!**
- **Use the \$25 B wisely - before we run out of money**
- **U.S. GHG regulation is likely in 2009 or 2010**
- **U.S. policies may help set the bar in Copenhagen**
(What a difference 10 yrs and one President makes)



IN CONCLUSION, IT'S FAIR TO SAY

U.S. Energy Policy Now Has

Everything but...





Thank You!



Questions / Comments?

Note: Some Slide Content from USDOE and Alliance to Save Energy