

# THE Clean Energy Future

**N**RDC—the national leader in advancing climate and energy solutions—has a plan for unleashing our country’s ingenuity. We can repower America, and we can do it by shifting to clean energy.

We can lift ourselves out of our current economic crisis through clean energy solutions that create new jobs and solve global warming.

What would this look like? Imagine getting incentives to make your home so energy efficient that your electric and heating bills stay low all year long. Imagine traveling on an affordable high-speed train for your next business trip. Imagine using an American-made solar panel on your roof to power your home *and* refuel your car.

All of these green solutions have been around for years, but lack of leadership has perpetuated our oil addiction and prevented most Americans from accessing them. Now that a new era has dawned in Washington, we can put the right policies in place so that all of us—and the planet—can reap the rewards of clean energy. In the process, we will create millions of high-paying, green-collar jobs right here in the United States.



Above: NRDC Trustee **Robert Redford** works closely with our energy experts to promote clean energy over dirty drilling.

Based on decades of energy and climate know-how, NRDC has charted the course to repower America. We will work with President Obama and the new Congress to:

- Cut our dependence on oil by 50 percent.
- Create 5 million new jobs.
- Reduce global warming pollution by at least 80 percent by 2050.

We can accomplish these goals by adopting an economic revitalization plan that makes major investments in the nation’s clean-energy and transportation infrastructure without increasing the federal budget deficit. Instead, we will generate clean energy capital by enacting clear limits on global warming pollution and requiring polluters to buy permits for each ton they release. We can use a portion of this clean capital as incentives for businesses and consumers to invest in efficiency measures and cut their energy bills.

America is eager for bold leadership that capitalizes on our country’s resourcefulness. And NRDC is ready with the tools that match the times. We have the market acumen, energy expertise, and legislative muscle to meet this moment. Together with our members and activists, we can help repower America.



Left: **Dan Lashof**, director of the NRDC Climate Center, is spearheading the push for effective climate legislation under the new administration.

Right: **Nicole Lederer**, NRDC trustee and co-founder of Environmental Entrepreneurs (E2), works with policymakers and legislators to promote strong environmental policy as the underpinning of sustainable economic growth.

# Starts **Now**

## NRDC: The Tools that Match the Times

**Groundbreaking Advocacy: Bringing Climate Legislation to the Senate Floor.** We believe that we can achieve our goal of passing legislation to create a cleaner, more sustainable energy future that tackles the climate crisis head on. What makes us so confident? The fact that NRDC helped move global warming legislation farther in 2008 than anyone thought possible.

Some observers believed it was premature to bring a global warming bill to a vote during the Bush Administration. But NRDC knew that the best way to get lawmakers' attention was to have a piece of viable legislation they could discuss and amend.

We wanted the bill to start with rigorous goals. In November 2006, NRDC's Climate Center staff members published an article in *Science* arguing that the way to make deep reductions in global warming pollution was to take the long view: 80 percent reductions by the year 2050. At that time, no legislators were looking past the year 2020. But NRDC's experts are widely recognized as leading thinkers on this issue, and the policies we outlined for achieving a longer-term goal attracted attention.

In early fall of 2007, Senators Lieberman and Warner responded to our urgings by drafting the Climate Security Act. NRDC spent the fall working successfully to strengthen the bill and the spring building broad support for it.

Finally, in the first week of June, the bill came to the Senate floor for a vote. This in itself was groundbreaking—the first time that climate legislation was the business of the Senate for an entire week. Previous efforts to tackle global warming were amendments offered to a larger energy bill and thus garnered limited attention.

Our advocacy and communications teams set to work shaping the Senate and public debate about the bill. Starting with our seminal report *The Cost of Climate Change*, our publications made it clear that the bill would protect our economy as well as the planet. Hill staffers cited our reports during backroom negotiations, and Senators Boxer and Kerry referred to our fact sheets from the Senate floor. Our outreach solidified NRDC's authority on the issue.

Very quickly, though, the Senate discussion got derailed. Political theater is not unheard of in the Senate, but opponents adopted an unusually pronounced stonewalling strategy. In the end, they succeeded in blocking debate: 54 senators supported moving to a vote on the bill itself, but this did not meet the 60 votes needed to overcome a filibuster, and the bill died.

The Climate Security Act was the “dress rehearsal” for what will likely be the final vote in the coming year. We can finally say that a majority of the Senate is engaged in a serious discussion about how to create a clean energy future.

Both the new Congress and President Obama will likely introduce new climate legislation. NRDC advocates will fight to ensure that these bills are effective and far-reaching. We

are also working with green-collar workers, clean-tech venture capitalists, and renewable energy manufacturers to remind representatives that investments in clean energy will reap financial and public-health benefits for all Americans.



Left: **Andy Stevenson** brings business-world know-how to solving energy challenges.

Center: **Luke Tonachel** is pioneering twenty-first century transportation ideas.

Right: **Wesley Warren**, NRDC's director of programs, works with environmental experts and leaders on Capitol Hill to advance clean energy policy.



NRDC packed the steps of the Capitol for a news conference featuring NRDC President **Frances Beinecke**, Senators **John Kerry** and **Joe Lieberman**, and others promoting green jobs and clean energy.

**Hard-Nosed Economic Analysis: Shaping Legislation and Investment.**

At a time when the economy dominates the news and Americans are struggling to make ends meet, no energy policy will gain traction in Washington without a careful appraisal of how it will shape America's financial future. NRDC can provide that assessment. Since opening our Center for Market Innovation in 2007, we have greatly enhanced our ability to scrutinize economic data and calculate investment risk.

This expertise has strengthened our hand in ongoing energy debates. During the 2008 Senate vote on the Climate Security Act, NRDC's financial analyses helped lawmakers and the media understand how cap and trade legislation would benefit the economy. In February 2008, we prompted JPMorgan Chase, Citigroup, and Morgan Stanley to adopt new lending principles that steer capital away from dirty coal plants and toward energy efficiency and renewables. Meanwhile, an NRDC-sponsored study by McKinsey & Company has drawn attention to the business opportunities inherent in combating global warming and helped spur investment in green technologies.

Our fluency in financial matters has attracted influential allies: Executives from Fortune 500 companies have joined us in pressing Congress to take action on global warming. In the coming year, we will leverage these partnerships to build broad support for bold new climate protection legislation.



**Pioneering Leadership: Unleashing America's Clean Energy Potential.**

For three decades, NRDC has been an undisputed leader in clean energy. It was our experts, for instance, who wrote the state efficiency standards for buildings and appliances that enable Californians to use 40 percent less electricity than the average American. This year, we preserved and strengthened the most important green energy incentive America has: the efficiency and renewable energy tax credit.

Congress had allowed the renewable incentive to lapse three times since 2000. Investors hate uncertainty, and with this kind of roller-coaster tax planning, it is hard to decide if an investment in a commercial solar plant or a turbine manufacturer will pay off. Many clean energy projects—and the thousands of jobs they would have created—couldn't find funding.

NRDC fought successfully to change that. Our media and legislative outreach teams spread the message that while the snake oil the Bush administration was selling—offshore drilling and other dirty fuels—wouldn't actually save Americans money on their heating bills, the efficiency tax credit would.

Our efforts paid off. In October 2008, the bailout bill passed by Congress included all of the efficiency incentives NRDC drafted, including tax breaks for homeowners who invest in efficient water heaters and air conditioners and for manufacturers of super-efficient appliances. We also extended incentives for solar, wind, and geothermal power and helped support a new tax credit for buying plug-in hybrid cars.

Going forward, NRDC will work to broaden these incentives as part of a national clean energy investment program. With the right tax credits in place, the renewable market will expand, costs for solar and wind power will drop, and consumers will watch their utility bills fall.



Left: **Laurie David**, NRDC trustee, is working with our communications team to promote the clean energy future.

Center: **Ashok Gupta** leads NRDC's blue-ribbon team of energy experts.

Right: **Jim Presswood** advises congressional leaders on smart energy policy.



### On-the-Ground Action: Putting Real Energy Solutions in Place.

While Congress spent months arguing over offshore drilling and other false solutions to lower gas prices, NRDC helped California enact a solution that will truly help commuters save money at the pump. In August 2008, the state passed the first-ever law that uses suburban land-use planning to reduce driving time for residents and cut global warming pollution.

Suburban sprawl is well known for its cookie-cutter houses and big-box stores, but only now are people beginning to recognize its link to global warming. If sprawling development continues, total miles traveled will increase 50 percent by 2030—enough to cancel out the global warming pollution cuts we expect to make during the same time through more fuel-efficient cars and low-carbon fuels.

In contrast, residents of smart growth developments—compact communities built within walking distance of public transit, jobs, and shopping—drive 20 percent to 30 percent less. Armed with that knowledge, NRDC's California advocates began crafting solutions.

Generating support for the solutions was challenging. In California's car-dependent suburbs, the interests of transportation, housing, environmental sustainability, and local control often collide. But NRDC spent two years building bridges. Our efforts paid off when the state assembly agreed on the groundbreaking SB 375 law.

Under the law, the California Air Resources Board will provide each region with targets for reducing emissions. These targets are not mandatory, but the regions that meet them will have an advantage in gaining access to nearly \$20 billion in federal, state, and local transportation funds that flow through California each year. Likewise, builders in these regions will get credit in the permitting process if they create smart growth projects.

Once again, California is proving to be an incubator of global warming solutions. And this is just the beginning: As we have done with California's energy efficiency standards and its law to reduce global warming pollution from cars, NRDC hopes to bring the California model to other states and soon the nation.

## “Q&A” An Interview with David Goldstein,



**Co-Director of  
NRDC's Energy  
Program**

**Q:** As someone who has been a leader in the energy field for several decades, what do you make of our current challenges?

**A:** Business as usual is not working well for the American economy. Improving the situation will require change and creativity, and efficiency can be the foundation of much of that innovation.

**SWITCHBOARD**  
THE ENVIRONMENT IS NOW OPEN. PLUG IN.

**David Goldstein** writes about energy efficiency on NRDC's Switchboard blog at [switchboard.nrdc.org](http://switchboard.nrdc.org).

**Q:** Why invest in greater efficiency at a time when oil prices are again relatively low?

**A:** First, unless efficiency increases, oil prices will rise again. Second, increasing energy efficiency is much cheaper than buying more fuel, even when energy prices are low. Implementing already available—so-called “state-of-the-shelf”—technologies could save America more than \$10 trillion over the next two decades. And the indirect benefits to the environment and human health will be even more valuable.

**Q:** With essentially no downside to investing in energy efficiency, why don't we hear more about its potential?

**A:** The short answer is that greater efficiency—providing the same service but requiring less energy—is an “invisible” resource. Most people don't think of the energy savings from screwing in a CFL bulb as being essentially the same as installing a non-polluting generator alongside their lamp.

**Q:** How can we put smart energy policy in place?

**A:** With the right financial and regulatory incentives, manufacturers can create even more efficient products and provide consumers with better choices. We must work with industry and policymakers to boost markets for the next generation of high-efficiency products that will be a pillar of the clean energy economy. We know it's the right thing to do, and our children will thank us for it.