



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

1011 Plum Street SE • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000
www.commerce.wa.gov

April 28, 2020

The Hon. Patty Murray, Senator
The Hon. Suzan DelBene, Representative
The Hon. Jaime Herrera Beutler, Representative
The Hon. Cathy McMorris Rodgers, Representative
The Hon. Pramila Jayapal, Representative
The Hon. Adam Smith, Representative
United States Capitol
Washington, DC 20510

The Hon. Maria Cantwell, Senator
The Hon. Rick Larsen, Representative
The Hon. Dan Newhouse, Representative
The Hon. Derek Kilmer, Representative
The Hon. Kim Schrier, Representative
The Hon. Denny Heck, Representative

Dear Members of the Washington State Congressional Delegation:

Thank you for your tireless work to protect the nation at this time of crisis. Your initial efforts to address the consequences of the COVID-19 pandemic are already helping the people of Washington, and we are deeply grateful. Legislation to address economic recovery will be an important next step for Congress. Our nation has never seen so dramatic a decline in employment and economic activity, and aggressive action is required now to stop and reverse these losses.

Clean energy investments provide an outstanding opportunity for Congress to put skilled workers and businesses back to work, and these investments provide enduring benefits to consumers and our future. We saw this in the recovery from the 2008 recession. Recovery Act energy investments in Washington supported a broad range of clean energy projects from energy efficiency and the smart grid to wind, biomass, and geothermal, as well as cleaning up the legacy of Cold War nuclear facilities at Hanford.

Through these investments, Washington's businesses, non-profits, and local governments created quality jobs and, a decade later, the projects continue to support our state in its transformation to the clean energy economy of the future.

Washington's economy now uses **33% less energy from fossil fuels** per dollar of gross domestic product, compared to 2007.

Clean Energy Stimulus Priorities

- Restore clean energy jobs and build a workforce for the future
- Support economic justice, community resilience and emergency preparedness
- Provide capital for private and public sector investment
- Invest in innovation, efficiency, and renewable energy
- Modernize energy and manufacturing infrastructure

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I am including with this letter a list of many options to invest in clean energy recovery. In particular, I want to recommend the U.S. Department of Energy's **State Energy Program and Weatherization Assistance Program** as proven, effective methods for delivering clean energy recovery projects in Washington and every other state. SEP and WAP are existing federal-state partnerships that can quickly ramp up to fund recovery programs, and they provide flexibility for states and territories to implement programs to fit their circumstances.

Thank you again for your efforts on behalf of the people of Washington, and please let us know how we can help.

Sincerely,



Lisa Brown
Director

Attachment

CC: Casey Katims, Director, Washington, D.C. Office, Governor Inslee

Clean Energy Stimulus Proposals

DOE State Energy Program (SEP) - \$3.1 billion

SEP is an effective, efficient, and flexible partnership between federal and state governments that could be quickly expanded. Existing SEP rules allow states to tailor programs to their own economic situations and policy directions. The SEP framework provides an opportunity for states to try new approaches and share the best ideas with each other.

DOE Weatherization Assistance Program (WAP) - \$5 billion

Weatherization provides a triple benefit to the nation's families: Skilled construction and trades jobs for workers performing retrofits, lower energy bills for low-income households, and healthier homes for seniors, children, and those at greater risk of asthma and other illnesses. WAP statutes should be amended to provide more flexibility in program administration and household eligibility.

DOE Loans Program Office (LPO) - \$6 billion

Loans and loan guarantees help deploy large-scale clean energy infrastructure projects and support key supply chains for national security and resilience.

EPA Environmental Justice Small Grants Program - \$28 million

The program supports and empowers communities working on solutions to local environmental and public health issues. Limits on individual grants should be increased from \$30,000 to \$60,000.

State Energy Efficient Appliance Rebate Program (SEEARP) - \$300 million

States provided rebates for 1.8 million appliances under this ARRA program. Expand the scope to include purchase and installation of insulation.

Mission Critical Public Facilities Infrastructure Renewal and Emergency Preparedness

Use DOE SEP and other federal mechanisms to provide federal funding for mission-critical infrastructure resiliency and flexibility. Public-private partnerships will allow 5X impact from the federal investment and deliver both energy savings and benefits of resiliency, cyber security, and system intelligence.

State Revolving Loan Funds for Public Facilities Energy and Water Efficient Retrofits - \$30 million

Reauthorize and fund Section 125(c) of the Energy Policy Act of 2005 to provide funding for states to lower utility costs for taxpayers, make public facilities (e.g., healthcare, schools, water treatment, safety) more energy efficient, build community microgrids, and leverage private financing for rapid job creation.

DOE Energy Efficiency and Conservation Block Grant Program - \$3 billion

Provide block grants to cities, communities, states, U.S. territories, and Indian tribes to develop, promote, implement, and manage energy efficiency and conservation projects that ultimately create jobs.

Extend and Expand Clean Energy Tax Credits and Deductions

- Sec. 48 solar investment tax credit
- Sec. 25C nonbusiness energy property credit
- Sec. 45L energy efficiency home credit
- Sec. 179D energy efficient commercial building tax deduction
- Standalone tax credit for energy storage tax (S. 1142/H.R. 2096)
- Sec. 30C and 30D alternative fuel vehicles
- Sec. 30C and 38 alternative fuel infrastructure
- Sec. 45 biomass, geothermal, landfill gas, hydropower, marine and hydrokinetic facilities

DOE EERE Water Power Technologies Office (WPTO) - \$300 million

WPTO enables research, development, and testing of emerging technologies to advance marine energy as well as next generation hydropower and pumped storage systems for a flexible, reliable grid. Also fund S.1821 (Marine Energy Research and Development Act of 2019) to provide for research, development, and deployment of marine energy.

Diesel Emissions Reduction Act - \$200 million

Increased investment in DERA would facilitate a faster transition to cleaner, more fuel-efficient engines that reduce toxic air pollutant and greenhouse gas emissions, and improve public health while helping preserve manufacturing, sales and service jobs. DERA should be reauthorized with a focus on electrification.

Better Utilizing Investments to Leverage Development (BUILD) Transportation Grants

Provides an opportunity for states to invest in road, rail, transit, and port projects. Washington could seek funds to replace aging diesel-propelled ferries with electric ferries and shore power infrastructure.

Federal Transit Administration Low-No Emission Program

Reauthorize and expand to provide funding for electric or hybrid buses and vans for use by community and tribal transit agencies and public and private ride share programs. Congress should waive match requirements to accelerate stimulus work.

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

Washington State Ferries is the state's largest consumer of diesel fuel and the largest source of greenhouse gas emissions in public sector transportation. WSF has identified its Jumbo Mark IIs as ideal vessels for immediate conversion from diesel to diesel-electric hybrid. Cost to convert one ferry is estimated to be \$35 million.

USDOT Federal Highway Administration Clean Corridors Program - \$300 million

The Clean Corridors Act was introduced by Sen. Carper (DE) in 2019. Funding this program would support Washington's efforts to build out its zero-emission vehicle charging network.

Workforce and Clean Jobs Development – \$6.5 billion

- **AmeriCorps** - Authorize and fund programs specifically focused on green buildings, energy efficiency, and sustainability.
- **DOE Office of Electricity Smart Grid Workforce Training and Development**
- **Grants to universities, tribal colleges, and centers of excellence for building training and assessment centers (Sec. 102 of S.2137/H.R. 3962)**
- **Home On-line Performance-based Energy-efficiency (HOPE) Training** - HOPE is designed to provide stipends to contractors and businesses that enroll in and complete online training (respecting government-imposed social distancing) to advance their understanding of home performance sciences and to prepare to engage homeowners in signing up for HOMES Rebates once the pandemic subsides.

USDA Rural Energy for America Program (REAP) - \$50 million

REAP provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses for renewable energy systems or to make energy efficiency improvements.