



U.S. House of Representatives
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Proposal for Establishing a National Renewable Energy and Efficiency Standard

Energy permeates every facet of our economy. When energy prices go up, so does the cost of food, getting to work, and nearly everything else. Not just in Hawaii, but across the country. Increasing gas or electric prices eat into family budgets, and decrease the bottom line for small businesses across our country.

Not only does the soaring price of oil act like an anchor on our economy it also undermines our national security.

The U.S. military is the nation's largest energy consumer. However rising oil prices set on unforgiving global markets strain the Pentagon's budget and reduces our preparedness.

In 2011 the Defense Department spent over \$17 billion on petroleum fuel. That's a 381 percent increase from 2005 when it spent \$4.5 billion. This is particularly shocking as the military actually decreased its energy use by 4 percent since 2005.

Transporting oil to support missions in Iraq and Afghanistan also cost thousands of injuries and lost lives—a cost that we must do everything in our power to reduce and prevent from happening in the future.

Faced with the reality that rising demand for oil will only increase these costs the Pentagon set a bold goal: Meeting 25 percent of its energy needs with renewable energy by 2025.

The Army, Navy, Marines, and Air Force are all working to meet this goal by supporting renewable energy research, development and deployment, and increasing their energy efficiency.

In 2009, Congress passed the American Recovery and Reinvestment Act which gave our renewable energy industry billions in research and development. The State of Hawaii alone received nearly \$40 million that has helped move our state closer to its clean energy goals, and many homeowners and small businesses were able to utilize tax benefits and other resources. However, today renewable energy industries are facing serious headwinds as Recovery Act funds dry up and other federal programs and support appear uncertain.

Establishment of a National Renewable Energy and Efficiency Standard could help to address these concerns and jump-start the clean energy revolution that can be the backbone of a 21st century U.S. economy.

Establishing this type of standard in the U.S. will help to give our renewable energy industries the certainty they need to grow, compete, innovate, and improve energy security in Hawaii and the U.S.

Congresswoman Hirono's Proposal Would:

Expand deployment of clean electricity: Currently, renewable energy only generates 10 percent of the electricity we consume as a nation. Adopting the DOD's goal of meeting 25 percent of our electricity needs with renewable by 2025 would more than double our nation's renewable energy capacity.

Focus on Renewables: While we will continue to rely on fossil fuels and nuclear energy for the foreseeable future the area of renewables has the potential to increase our nation's energy security by developing home-grown, sustainable industries that create jobs that can't be outsourced—though the know-how we develop can be exported across the globe.

Support smart energy use and innovation: Utilities would be allowed to utilize energy efficiency measures to meet up to 30 percent of the National Renewable Fuel and Efficiency Standard. This will help to catalyze a national effort to develop and deploy smart grid technology, and other measures that improve how we transmit and utilize energy—reducing costs for consumers and small businesses and improving reliability of service.

Provide certainty for entrepreneurs and attracting private sector funding: One of the most significant challenges facing renewable energy is a lack of financing.¹ Establishing a nationwide standard will help to attract private sector resources that can help to finance clean energy innovation, testing, and commercialization.

Core Principles behind National Renewable Energy and Efficiency Standard:

- 1.) **Improving Energy Security:** By more than doubling the amount of renewable energy being used to generate electricity we improve the energy security of our country by reducing our reliance on foreign fossil fuels.
- 2.) **Long-Term Economic Growth:** To rebuild the U.S. economy as a global leader in the 21st century we need to foster new industries that will create new opportunities and create jobs. Clean energy represents one of the best opportunities for doing both at once.
- 3.) **Locally Sensitive:** A National Renewable Energy and Efficiency Standard would allow states, utilities, and the public determine what mix of renewable—or energy efficiency—works best for their local resources and communities.
- 4.) **Public-Private Collaboration:** Setting a federal standard gives private businesses the certainty that the U.S. is truly committed to clean energy, which will help attract private investment that will support innovation and competition across a broad range of renewable energy options.

¹ <http://www.bizjournals.com/pacific/news/2012/08/14/financing-biggest-challenge-for.html>