



The White House Office of the Press Secretary

For Immediate Release

December 02, 2011

We Can't Wait: President Obama Announces Nearly \$4 Billion Investment in Energy Upgrades to Public and Private Buildings

Upgrades Will Create Tens of Thousands of Jobs and Save Billions

WASHINGTON, DC – President Obama today announced nearly \$4 billion in combined federal and private sector energy upgrades to buildings over the next 2 years. These investments will save billions in energy costs, promote energy independence, and, according to independent estimates, create tens of thousands of jobs in the hard-hit construction sector. The \$4 billion investment announced today includes a \$2 billion commitment, made through the issuance of a Presidential Memorandum, to energy upgrades of federal buildings using long term energy savings to pay for up-front costs, at no cost to taxpayers. In addition, 60 CEOs, mayors, university presidents, and labor leaders today committed to invest nearly \$2 billion of private capital into energy efficiency projects; and to upgrade energy performance by a minimum of 20% by 2020 in 1.6 billion square feet of office, industrial, municipal, hospital, university, community college and school buildings. This announcement builds on a commitment made by 14 partners at the Clinton Global Initiative America meeting in June to make energy upgrades across 300 million square feet, and to invest \$500 million in private sector financing in energy efficiency projects.

Today's commitments were announced by President Obama and former President Clinton along with representatives from more than 60 organizations as part of the Better Buildings Challenge. The Challenge is part of the Better Buildings Initiative launched in February by President Obama, and is spearheaded by former President Clinton and the President's Council on Jobs and Competitiveness to support job creation by catalyzing private sector investment in commercial and industrial building energy upgrades to make America's buildings 20 percent more efficient over the next decade, reducing energy costs for American businesses by nearly \$40 billion. Last year, commercial buildings consumed roughly 20 percent of all the energy used by the U.S. economy.

"Upgrading the energy efficiency of America's buildings is one of the fastest, easiest, and cheapest ways to save money, cut down on harmful pollution, and create good jobs right now. But we can't wait for Congress to act. So today, I'm directing all federal agencies to make at least \$2 billion worth of energy efficiency upgrades over the next 2 years – at no up-front cost to the taxpayer. Coupled with today's extraordinary private sector commitments of \$2 billion to upgrade businesses, factories, and military housing, America is taking another big step towards the competitive, clean energy economy it will take to win the future," said President Obama.

"Investments in building retrofits and energy efficiency can make a real difference in the American economy, by creating jobs, growing our industries, improving businesses' bottom lines, reducing our energy bills and consumption, and preserving our planet for future generations. I am proud the Clinton Foundation has been able to help develop and grow President Obama's Better Buildings Challenge, and that so many members of the Clinton Global Initiative have joined this Challenge. Working together, I am pleased the commitments to the BBC have grown from the initial \$500 million and 300 million square feet that we announced in June at CGI America, to the \$2 billion investment with over 1 billion square feet of retrofitted space that we are announcing today," said President Clinton.

"The Better Buildings initiative has all the components to make a real difference-it will create profitable investment opportunities for worker pension funds, create badly needed good jobs, increase America's competitiveness around energy savings, and address the dangers of climate change," said AFL-CIO President Richard Trumka. In a move the U.S. Chamber of Commerce has recognized as critical to job creation, today's Presidential Memorandum calls for fully implementing existing federal authority to utilize Energy Savings Performance Contracts (ESPCs) in order to promote energy efficiency and create new jobs. Under the ESPC program, new energy efficient equipment is installed at Federal facilities at no up-front cost to the government. The cost of the improvements is paid for over time with energy costs saved on utility bills, and the private sector contractors guarantee the energy savings.

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[NOTE: Several projects are described in the White House press release. Two pertain to the SEU. One references the Delaware SEU Tax-exempt Energy Efficiency Bond. And a second highlights the work of the Washington, DC SEU, which was designed in 2010 based on the Delaware SEU created in 2008. Both are excerpted below.]

Citi

Citi, a leading global financial services company with approximately 200 million consumer accounts in more than 160 countries and jurisdictions, is committed to continue developing and offering scalable financial solutions for aggregations of energy efficiency projects. Closed transactions include the **Delaware Sustainable Energy Utility**, a \$70.2 million bond offering projected to create over 1,000 jobs and save State Agencies more than \$26 million. Existing projects and projects under development target public and private sector clients, employ a number of financing mechanisms, partners and clients, and are sized starting at a minimum of \$25 million for each transaction. As a Better Buildings Challenge Financial Ally, Citi will pursue at least \$500 million in financing.

The District of Columbia

Through its partnership with the Better Buildings Challenge, the District of Columbia is committing to a multi-pronged action plan to reduce energy consumption in over 90 million square feet of city and privately held buildings in the downtown core by at least 20 percent by 2020. The District has set forth an energy efficiency and renewable energy agenda and has invested in long-term incentive programs that will support a public-private collaboration and ensure that Washington is a national leader in the energy efficiency economy. The District has made a series of commitments on its own 300+ buildings that will demonstrate leadership from the top, among them completing energy audits, implementing a showcase retrofit and investing at least \$4 million in the next five years on energy efficiency measures. The District has long-term commitment to energy efficiency programs and policies that support the Better Buildings Challenge, including a benchmarking and disclosure regulation for over 3,000 private commercial buildings, making the **Sustainable Energy Utility (SEU)** a one-stop shop for the District's energy efficiency solutions and resources and the creation of energy efficiency financing tools targeted at commercial building owners. These financing tools and products will provide at least \$225 million in competitively-priced capital to commercial owners over the next nine years to fund energy efficiency improvements. The DowntownDC Business Improvement District ("BID") and the DowntownDC ecoDistrict have accepted the Better Buildings Challenge in partnership with the District of Columbia and Mayor Vincent Gray.