



CLIMATE EQUITY ALLIANCE

November 17, 2009

Dear Senator:

Organizations from the research, advocacy, faith-based, labor, and civil rights communities formed the Climate Equity Alliance to help ensure that the strong policies needed to reduce greenhouse gas emissions also protect and expand economic opportunity for low-income households and workers.

As the Senate crafts comprehensive climate and energy legislation, we ask you to maximize opportunities for America's workers and communities in the transition to a green economy and ensure that low-income consumers are fully protected from higher energy prices, as detailed in the [letter](#) we sent you in August. In particular, we urge you to take two actions that would further strengthen the bill reported by the Senate Environment and Public Works Committee.

We request the following two critical actions:

- 1. Uphold the principle, established by the House of Representatives, that effective climate change legislation should not make low-income families worse off.** To do so, the Senate should set aside 15 percent of the *total* allowance value for direct low-income consumer relief to fully offset the effects of increased energy costs on households in the bottom quintile and should ensure that low-income households continue to be fully protected in future decades.
- 2. Require electric utilities to make a significant investment in energy efficiency.** Such efficiency investments can create hundreds of thousands of new jobs retrofitting buildings nationwide, lower the price of carbon, and directly benefit consumers as residential, commercial, and industrial consumers typically save \$3 for every \$1 invested in energy efficiency. Where these investments are funded out of the free allocation of emissions allowances, they should be cost-effective and should ramp up over time to maximize penetration while protecting residential utility bill rebates that provide broad-based protection to low- and moderate-income households.

Maximizing cost-effective investments in clean energy job creation and consumer protection are both good public policy and smart politics necessary to win broad-based support for this legislation. We believe the two provisions we urge you to include meet both of these criteria. They are also consistent with the Climate Equity Alliance's belief that we should approach climate and clean energy legislation not only as environmental policy, but also as economic policy that can advance principles of fairness, opportunity, and broadly shared prosperity.

Respectfully,

Center for American Progress Action Fund

Center on Budget and Policy Priorities

Green For All

NAACP

SEIU

Change to Win

Community Action Partnership

Half in Ten

Enterprise Community Partners

National Women's Law Center

Wider Opportunities for Women

Democracia Ahora

Jewish Council for Public Affairs

Coalition on Human Needs

NETWORK Lobby

National Low Income Housing Coalition

Green DMV

The United Methodist Church – General Board of Church and Society

Washington Office of Public Policy, Women's Division, UMC

Concerned Black Clergy of Metropolitan Atlanta, Inc