

## THE WHITE HOUSE

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### **President Obama's Plan to Win the Future by Producing More Electricity Through Clean Energy**

A global race is underway to develop and manufacture clean energy technologies, and we are competing with other countries that are playing to win. America has the most dynamic economy in the world, but we can't expect to win the future by standing still. That's why, in his State of the Union address, President Obama proposed an ambitious but achievable goal of generating 80 percent of the Nation's electricity from clean energy sources by 2035. Meeting that target will position the United States as a global leader in developing and manufacturing cutting-edge clean energy technologies. It will ensure continued growth in the renewable energy sector, building on the progress made in recent years. And it will spur innovation and investment in our nation's energy infrastructure, catalyzing economic growth and creating American jobs.

- **Double the share of clean electricity in 25 years:** Currently, 40 percent of our electricity comes from clean energy sources. President Obama is calling for a national goal of doubling the share of clean energy to 80 percent by 2035.
- **Draw on a wide range of clean energy sources:** To give utilities the flexibility to generate clean energy wherever makes the most sense, all clean sources – including renewables, nuclear power, efficient natural gas, and coal with carbon capture and sequestration – would count toward the goal.
- **Deploy capital investment to sustain and create jobs:** The private sector is currently sitting on billions of dollars of capital, as investors and businesses wait to see what policies the future holds. By providing a clear signal towards a clean energy future, the President's proposal will move that capital off of the sidelines and into the economy, mobilizing tens of billions of dollars each year in new investment and creating jobs across the country.
- **Drive innovation in clean energy technologies:** The engine of economic strength is technological innovation. By providing American businesses a market here at home for innovative clean energy technologies, we will unleash the creative power of American entrepreneurs – and ensure that our nation leads the world in clean energy.
- **Complement the clean energy research and development agenda:** The President's Budget proposes to increase overall investment in clean energy technologies by about one-third compared to 2010, including doubling energy efficiency investment at the Department of Energy and increasing investment in the Advanced Research Projects Agency-Energy (ARPA-E) program to push bold new ideas through to commercialization.

## *The President's Proposal for a Clean Energy Standard*

The President is proposing that a new Clean Energy Standard (CES) be founded on five core principles:

- **Doubling the share of clean electricity over the next 25 years.** To mobilize capital and provide a strong signal for innovation in the energy sector, a CES should be established that steadily increases the share of delivered electricity generated from clean energy sources, rising from 40 percent today to 80 percent by 2035.
- **Credit a broad range of clean energy sources.** To ensure broad deployment and provide maximum flexibility in meeting the target, clean energy credits should be issued for electricity generated from renewable and nuclear power; with partial credits given for clean coal and efficient natural gas.
- **Protecting consumers against rising energy bills.** The CES should be tailored to protect consumers, and coupled with smart policies that will help American families and businesses save money by saving energy.
  - The CES should be paired with energy efficiency programs that will lower consumers' energy bills, such as stronger appliance efficiency standards, tax credits for energy efficiency upgrades, and the proposed Home Star program.
  - The CES should also include provisions to help manufacturers invest in technologies to improve efficiency and reduce energy costs.
- **Ensuring fairness among regions.** Different regions of the country rely on diverse energy sources today, and have varying clean energy resources for the future. The CES must ensure that these differences are taken into account – both among regions and between rural and urban areas.
- **Promoting new technologies such as clean coal.** The CES should include provisions to encourage deployment of new and emerging clean energy technologies, such as coal with carbon capture and sequestration.

### **Building on Progress**

An ambitious Clean Energy Standard will build on the enormous recent progress in renewable energy, with 16,000 megawatts of new electric generating capacity from wind, solar, and geothermal energy that has come online since 2008 – an increase of nearly 60 percent in just two years.

- **Creating jobs and clean energy through the Recovery Act:** ARRA made an historic investment in clean energy of over \$90 billion, which has already created or saved 224,500 American jobs and tens of thousands of domestic renewable energy projects –

including some of the largest in the world – putting the country on target to double renewable energy generation by 2012.

- **Expanding production through the successful “1603” grant program:** The renewable energy grant program under the Recovery Act has been an essential tool in deploying renewable energy resources in the U.S. over the past two years, successfully increasing U.S. manufacturing and creating tens of thousands of new American jobs. The Recovery Act converted these pre-existing tax credits into grant payments, making it easier for recipients to quickly expand clean energy generation and hiring. To date, the 1603 program has helped encourage more than 4,000 clean energy projects. The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 extended the 1603 program for one year.
- **Staying on the cutting edge through Clean Energy R&D:** Through the Recovery Act, we have invested in 120 cutting edge research projects through Advanced Research Projects Agency – Energy (ARPA-E) program across areas ranging from grid technology and power electrics to nuclear technology and batteries and energy storage. Past Budgets funded three “Energy Innovation Hubs” that explore building efficiency, fuel from sunlight, and nuclear reactor modeling and simulation. This year’s Budget will more than double funding for ARPA-E and will double the number of Hubs.
- **Siting a record number of renewable projects on public lands:** In the last year alone, the Department of Interior green-lighted the first nine commercial-scale solar energy projects for construction on public lands, including the largest solar power plants in the world. When built, these projects will supply nearly 3,700 MW of power—enough to power more than 1,100,000 homes—and are expected to create about 7,300 new jobs. Interior also approved the first offshore wind farm in the U.S., and has launched an initiative to accelerate the rapid and responsible development of America’s vast offshore wind resources.