



**Testimony of the Honorable Michael A. Nutter
Mayor of Philadelphia and Trustee of The U.S. Conference of Mayors**

**Hearing on S. 1733, The Clean Energy Jobs and American Power Act
Before the Senate Environment and Public Works Committee**

October 28, 2009

Chairman and Members of the Committee, I thank you for this opportunity to testify on this important piece of legislation, S. 1733, The Clean Energy Jobs and American Power Act. My name is Michael A. Nutter, Mayor of Philadelphia and I serve as a Trustee for The U.S. Conference of Mayors.

I'm pleased to be here on behalf of the Conference of Mayors to convey the nation's mayors' support for this much-needed legislation. Since 2005, the Conference of Mayors has been urging Congress to pass a comprehensive climate protection plan, one that reduces our nation's greenhouse gas emissions through an emissions trading system, adapts to anticipated climate threats, transitions to greater use of renewable energy and cleaner energy supplies, increases commitments to energy conservation and efficiency, and enhances our economic security through the accelerated development of homegrown energy supplies and technologies. The bill before you today will achieve these outcomes.

The U.S. Conference of Mayors is a national, non-partisan organization that represents cities with populations of over 30,000 or more, through its chief elected official, the Mayor. The Conference of Mayors was formed back in 1932 as a response to the Great Depression. At that time, mayors gathered to speak with one voice to promote policies and programs that would move our country in a direction that would promote jobs and economic competitiveness. We find ourselves similarly challenged today. Faltering national and global economies and rising national security challenges, further complicated by rising environmental threats, now define the first decade of this new century.

We must confront these challenges with courage, vision and action, as I believe this Committee is doing today in moving forward with this important legislation. If we do this right, we will chart a new direction that increases our energy independence, reinvigorates our economy, and creates more new jobs in the process.

With this said, I look forward to enactment of comprehensive energy and climate legislation that includes as its centerpiece, the Clean Energy Jobs and American Power Act. In my testimony, I will share some perspectives on current economic conditions, the potential for creating green jobs, and how this legislation can support economic recovery and longer-term economic growth into the future.

Status of U.S. Economy/Metro Areas

The Conference of Mayors has worked extensively on the role of metropolitan economies in shaping U.S. economic growth. These 363 city/county metro economies are home to 86 percent of the U.S. employment, more than 90 percent of wage income and nearly 90 percent of our gross domestic product. Most notably, our work with IHS Global Insight indicates that an estimated 94 percent of all U.S. economic growth over the next twenty years will occur in these 363 areas.

Our recent analysis shows that these areas – in larger numbers than ever before – are now struggling to sustain their economic output and generate jobs for people who need them. As this data shows, the nation’s economy will not recover until these economic engines of the U.S. economy are revived.

Importantly, this reality underscores the importance of the Committee’s decision to invest directly in the cities and counties that comprise these economies by including commitments to the Energy Efficiency and Conservation Block Grant Program in the legislation before you.

Green Jobs Report

This Committee is familiar with the Conference’s work on green jobs and the potential employment benefits of a shift to a greener economy. Specifically, the Conference of Mayors earlier this year provided information on IHS Global Insight’s analysis, *U.S. Metro Economies – Current and Potential Green Jobs in the U.S. Economy*, for the Committee’s record.

Again, I would like to share some brief comments on this analysis, based on scenarios calling for increased energy efficiency in new and existing buildings; greater reliance on ethanol and biodiesel fuels in the transportation sector, and securing a much larger share of our electricity from renewable energy supplies. To achieve these forecasted jobs, these scenarios assumed private and public sector changes, including laws, policies and practices at the federal, state and local levels would be sustained and, in instances, enhanced. Among the report’s key findings:

- There will be 4.2 million green jobs in the U.S. economy by 2038 if we achieve the goals of the scenarios, five times larger than the 2006 baseline of slightly more than 750,000 jobs nationwide.
- Green jobs will represent 10 percent of all new jobs by 2038, and will be the single largest source of new jobs in the economy.
- Where a metro area starts today, in terms of its current share of existing green jobs, is not necessarily where its economy will end up in thirty years, meaning that all local areas (metropolitan and non-metropolitan areas) will have the opportunity to increase their relative share of the green economy.

The report also provided first ever estimates, on a metro-by-metro basis, of the current green jobs in these 363 areas, which we are calling our metro green jobs index. Going forward, as we further refine existing data and develop new data and measures, local leaders will be able to track how their areas are doing in developing and attracting green jobs, showing policy-makers and the public the quantifiable economic and employment benefits of a greener economy. Over time, this will give us tools to measure

the effects of our policies and investments. And, it will challenge those directly who assert that green jobs is simply a goal or vision, not a justifiable economic strategy.

We do believe that our analysis was somewhat conservative because it does not provide a comprehensive assessment of the potential for green jobs in the U.S. economy. For example, our scenario for green jobs in the transportation sector was largely based on switching to alternative fuels in vehicles, leaving out the many green jobs that will result if we reengineer our transportation infrastructure systems to make them less carbon dependent. The nation's mayors support your efforts to place more emphasis on reducing greenhouse gas emissions in the transportation sector

With these points as context, I would like to call attention to some of the key provisions of interests to the nation's mayors, noting how we believe this legislation improves the environment and creates jobs.

Energy Efficiency and Conservation Block Grant (Title II, Section 202)

Cities and their metro areas are not only economic engines of the U.S. economy and where jobs must be created for our future, but these population centers represent some of the biggest users of total energy consumed, and, as such, the biggest producers of greenhouse gas emissions. At the city and metro level, we have the potential of implementing solutions that, due to our economy of scale and other factors, will have the most significant impact on reducing greenhouse gas emissions and energy consumption while also creating new jobs.

This explains why the nation's mayors have so strongly advocated for the inclusion of the Energy Efficiency and Conservation Block Grants Program (EECBG) in a comprehensive energy and climate change bill. On behalf of the nation's mayors, I want to thank you Chairman Boxer and the members of this Committee for recognizing the important and necessary role that cities and other local governments must play in a comprehensive, national energy and climate protection plan by including the EECBG Program in your proposed legislation.

Long-term, sustainable funding for the EECBG Program is a top priority for The U.S. Conference of Mayors and the other local government organizations, including the National League of Cities and the National Association of Counties. Funded for the first time through the Recovery Act, this program is administering \$3.2 billion directly to state and local governments to support energy efficiency, conservation and renewable energy technologies. This infusion of funding is supporting both practical and innovative projects across the country, helping local communities to make strategic investments while positioning the country for shifts in the energy economy. With the inclusion of the EECBG Program in this bill, our nation's metropolitan areas as well as smaller cities and counties will have access to additional resources to implement both short-term solutions and long-range strategies to ensure more efficient energy use, develop renewable and other homegrown energy supplies and curb overall greenhouse gas emissions.

The City of Philadelphia will receive \$14.1M in formula allocation Recovery funds through the EECBG Program. We have developed an eleven-part plan that will allow us to make immediate investments in energy efficiency and conservation while leveraging and extending these investments into the future. Cities that can grow while lowering their energy consumption have an enormous competitive advantage by reducing their energy costs and developing innovative new technologies. As such, increasing energy efficiency and cultivating renewable energy sources in Philadelphia is the centerpiece of our

sustainability strategy. The EECBG program provides critical funding to help us increase our energy management capacity, lower our energy use and costs, and support long-term citywide community development.

I want to give you a few examples of what Philadelphia will be able to accomplish with our current EECBG funding to demonstrate the economic and job creating benefits that will be realized over the coming 12-18 months, and hopefully beyond the Recovery and well into the future with a sustainable EECBG funding pool as is wisely provided for in this bill.

LED Lighting - In 1997, Philadelphia became the first major U.S. city to widely deploy LED (light emitting diode) in our traffic lights. Our Streets Department replaced all of our red traffic signals - red being the only color available at the time - saving \$8.4 million between FY 1998 and FY 2008. In addition, we avoided over 8 million kilowatt hours (kWh) of electricity use every year and over 4 million tons of green house gas (GHG) emissions every year. With \$3.05 million in EECBG money and \$3.05 million in other leveraged funds, we will convert an additional 58,000 yellow and green traffic signals and replace 27,000 red LED lights. The project will save the City \$1 million in electric costs each year as well as maintain or increase jobs in the LED manufacturing industry.

Greenworks Loan Program – There are enormous potential returns to energy-saving investments in building retrofits: the debt incurred to fund the improvements is quickly offset by reduced energy operating costs. But the challenge is in designing the program instruments capable of achieving these savings in the real world of homeowners and other property managers. Building retrofits may be self-financing but they are not self-implementing.

With \$4.775 million in EECBG funds and \$4.5 million in leveraged funds, we will be offering low interest loans to commercial, industrial, and institutional property owners that wish to undertake building energy efficient retrofit projects. There are currently few financing options available to help individual building owners with such efforts. The initiative will provide businesses with affordable capital (targeted net interest rate < 5%) to incent them to make energy efficient improvements that will help them improve their bottom line and continue to provide jobs and economic activity in the City. These low interest loans will be targeted to help businesses and non-profits that are trying to expand or are attempting to maintain a facility that would otherwise be at risk of closure. The program is intended to have dual positive impacts on businesses throughout the City – helping them reduce energy use and greenhouse gas emissions while simultaneously reducing their overall operating costs and helping them maintain jobs and economic activity. Applications will be approved based on energy savings and job creation potential.

In addition, \$500,000 in matching grants for building energy efficiency improvements to small businesses that cannot afford to participate in the larger loan program. As with the loan program, organizations will apply for the grants and will be approved based on energy savings and job creation potential, and will be able to use awards to seal their buildings, purchase energy efficiency equipment, or replace old, wasteful heating, cooling, and lighting systems.

Greenworks Technology Commercialization Grant Pilot Program: A third financial incentive program Philadelphia is funding through EECBG is our innovative technology commercialization pilot. If we are to think big about green jobs up and down the income spectrum, about green jobs that can truly transform an economy, then we have to think bigger than insulation and windows. We have to think about the next generation of energy efficiency technology. That's why we're taking a small portion of our grant and using it to help local businesses develop and bring to market new energy efficiency technologies

that have the potential to transform markets. At the same time, we're also aware that this kind of investment from a city government is uncommon, so we're starting small with a true pilot mentality, hoping to learn lessons about how to make smart injections of capital that can become a model for other local governments in our region and beyond.

Incentive-Based Recycling Program: The City of Philadelphia provides single stream weekly curbside collection of recyclables. In FY2009 the City achieved a 12.7% residential diversion rate. Our goal is to reach a 20% residential diversion by 2011. This increase will contribute to energy savings, reduce landfill costs and preserve the natural environment. To achieve this ambitious goal the City of Philadelphia will partner with RecycleBank to implement an incentive based recycling program. The program will be offered and made available citywide. Households that register will be rewarded for their recycling and trash reduction efforts. RecycleBank Points will be distributed to Philadelphia RecycleBank Program Members based on the average recycling rate and average trash reduction rate for participating households in each neighborhood. Residents will have the flexibility to choose the rewards they want, including the option to make donations to Philadelphia schools or other charitable causes – pumping money into the local economy. Participation will be tracked using a radio frequency identification (RFID) tag affixed on one of the household's recycling containers. In order to read these tags and attribute points to participants, each of the City's 70 recycling collection vehicles will be retrofitted with a RFID reading system. Without the RFID readers, the RecycleBank incentive based recycling program will be inoperable. \$708k in EECBG funds will pay for the lease buy-out of the RFID reading system, securing the program's infrastructure. The City anticipates that this innovative program will increase the percent of waste diverted to recycling by 5-10%, which would result in additional 30,000 to 60,000 tons being diverted from trash to recycling each year.

The mayors of this nation bring to this challenge considerable experience and expertise. For years, mayors have been working on the issues of energy, environment and transportation to promote greater sustainability in their communities. Among these many leaders, Conference President, Seattle Mayor Greg Nickels, has led our national movement to focus specifically on reducing greenhouse gas emissions in our communities. Earlier this month, Mayor Nickels welcomed the 1,000th Mayoral Signatory to the Mayors Climate Protection Agreement – Mesa, Arizona Mayor Scott Smith. Each one of these mayors, who collectively represent more than 86 million Americans has committed to reducing their city's greenhouse gas emissions by 7 percent below 1990 levels by 2012. Achievements of these goals has always assumed and expected complementary actions by our states and the Congress.

The Conference of Mayors' Climate Protection Center recently released a new report entitled *The Power of 86 Million Americans: 1000 Mayors Committed to Climate Action – Selected Profiles of Mayoral Leadership*. This report provides selected examples of mayoral actions throughout the nation – whether it involves promoting energy conservation, changing traffic lights to LEDs, retrofitting homes and buildings, or deploying solar and other renewable technologies. These mayors represented both large and small cities in every region of the country.

The EECBG Program was specifically designed to support, and accelerate, such locally-based solutions set forth in the report, activities that mobilize people in their own communities, save money for governments and taxpayers, and create jobs that cannot be outsourced overseas.

Other Noteworthy Programs in S. 1733

In addition to dedicated support for a continued EECBG Program, there are numerous other programs contained in S. 1733 that are good for this nation; policies that will transform our economy, create jobs

and reduce greenhouse gas emissions. Philadelphia and other cities have taken a leadership role in many of these same areas. I wanted to highlight a few examples of the benefits of these policies.

Fleet Management (Title I, Subtitle E, Section 154) In 2004, Philadelphia designed a fleet reduction program that was widely celebrated, including recognition by the Kennedy School's Innovation in American Government Awards. At that time, the municipal fleet was reduced by 330 vehicles, facilitated by transportation alternatives that maximized economic returns while reducing environmental impact. The program's key element was contracting with the nonprofit PhillyCarShare (for the first four years and since July 2008 with the for-profit ZipCar) to make car-sharing vehicles available to City employees. To our knowledge, Philadelphia has the largest government car sharing program in the nation and we continue to reduce and reconfigure our municipal fleet to find broader application of car sharing technology. This bill could potentially assist us in our efforts to convert our trash and recycling fleets, helping to lower our greenhouse gas emissions and improve air quality.

Recycling (Title I, Subtitle E, Section 154) - In 2008, Philadelphia developed the largest single-stream recycling program on the east coast, offering weekly curbside service citywide. This simplified approach has already had a dramatic, positive impact on our recycling rate. The current collapse in the recycling market has not deterred us from pursuing the economic and environmental benefits from the program. In the last quarter of 2008, we were paid \$44 per ton for our recycled material. Earlier this year we paid \$32 per ton, we are now paying 33 cents per ton. While that is disappointing, it is important to note that paying \$32 per ton is still cheaper than the \$63 per ton we would have to pay to send the material to landfill. We hope that we will be able to utilize the State Recycling Program that is included in S 1733. However, we have also planned to utilize \$708,000 of our EECBG funds and \$300,000 in other leveraged funds to support an incentive-based recycling program which has a tremendous success in diverting waste from landfills while rewarding our constituents to recycle more.

Taxis (Title I, Subtitle G, Sections 171-173) - We would also like to thank you for including language related to curbing greenhouse gas emissions from taxis in the bill. As you know, emissions from the transportation sector are a significant source of overall emissions for many cities. Giving local governments the ability to control emissions from transportation sources will go a long way to curbing overall emissions.

Solar (Title I, Subtitle F, Section 161) - In 2008, we installed a new solar hot water system at our Riverside Correctional Facility after discovering that the boilers that provide hot water to the facility needed to be replaced. After calculating the payback, we decided to add a solar powered heat exchange system that will provide the primary source of hot water, using gas or oil just as a backup system. Forty-five Solar Panels were installed on the roof and they heat a material similar to antifreeze to 265° Fahrenheit. The heated solution is pumped through coils in well-insulated hot water tanks and the heat exchange produces hot water for bathing, laundry, and cleaning. The additional cost of the solar heating system is expected to pay for itself through lower energy costs in less than nine years. The system's designed lifespan is twenty-five years, which means for two-thirds of its expected life the system will provide hot water at zero energy cost. Over its useful life the solar system will save over \$1 million dollars and reduce emissions by over one million pounds of CO₂. There is potential to develop and deploy solar at scale - we have acres and acres of public rooftops in Philadelphia, from schools to water treatment facilities, which could support similar installations. Long-term EECBG funding will help expand and provide some of the financial resources to help pay for these strategic investments.

Building and Housing Retrofits/Job Training (Title I, Subtitle F, Section 164 and Title III, Subtitle A, Part 1) - The City of Philadelphia currently spends \$19 million annually on Housing Preservation and Weatherization, \$11 million of which is supported by CDBG funds. Administered by the Philadelphia Housing Development Corporation, these funds may be used to provide traditional weatherization improvements, such as attic and wall insulation, window sealing and replacement, and upgraded heating equipment. In addition to basic systems repair, these funds also support emergency repairs and utility payments. The weatherization component of these programs support about 3600 projects per year and could be quickly scaled up with additional funding because the skills requirements for weatherization specialists are relatively easy to attain.

An expanded building and retrofit program contained in this bill could become part of a pipeline to retool Philadelphia's workforce to meet growing demand in the private market for building retrofits, particularly in the home weatherization category. As increasing number of banks and energy service companies offer specialized loans to help homeowners make energy upgrades to their houses, new demand for these services is expected to create new positions for certified weatherization specialists within the next two years. A new job training program developed by the Energy Coordinating Agency (ECA) will certify new weatherization specialists. Some of this training can be completed in as little as two weeks, allowing unemployed or underemployed Philadelphians to transition rapidly into a sector with tremendous opportunity. The total number of trainees, including auditors and installers and other related positions, is expected to be over 800 in the first two years of operation.

It is very important to look at the ECA job training project and others in the national context of the growing, green collar jobs movement. Energy efficiency not only offsets more greenhouse gas emissions than renewables and alternative fuels, it generates significant numbers of domestic jobs. According to the American Council for an Energy-Efficient Economy (ACEEE), "In 2004, an estimated \$300 billion, 60% of which was in the buildings sector, was invested in energy efficiency technologies and infrastructure in the United States and those investments made us more productive, saved us money, and supported 1.6 million jobs."

The work of creating a clean energy economy is very labor intensive. These new, green collar jobs require building science, carpentry, electrical, plumbing, sales, and communications skills. These jobs include: insulators, carpenters, heating technicians, energy auditors, and educators, as well as support services, sales, and manufacturing. The good news is that these jobs are a perfect fit for Philadelphia's workforce, and are not transferable overseas. Rather than being dead-end, minimum wage jobs, these are jobs with a bright future that provide access to a continuum of advancement and opportunity.

For example, ECA hires high school graduates at a starting rate of \$12/hour plus full benefits. The average salary of their weatherization field staff is \$35-40,000/year. Supervisors make more than that average. Salary increases and promotions are increasingly tied to training. For example, the Building Performance Institute certification (an industry standard) translates into a salary increase. ECA is now in the process of having all our inspectors, auditors and supervisors trained and supervised through BPI.

Moreover, just as Weatherization offers an optimal starting place for entry into the labor market, it is also a rich field of opportunity for young companies. Philadelphia's Housing Development Corporation has structured its operations to accommodate small firms, and has had unparalleled success, particularly in providing growth opportunities for minority and women owned firms. This year, roughly half of the firms doing weatherization work for the City will be MWDBEs. Those firms will receive training and technical assistance to help them learn how to sell their energy efficiency skills as products on the

private market – the perfect model for small and MWDBE firms to find a foothold in the city’s competitive construction marketplace.

How large could such an effort be in Philadelphia? There are approximately 400,000 row homes in our city. Using the estimates cited above, we could raise the energy efficiency of, say, a quarter of these row homes by 20-30% (with insulation, air-sealing, cool roofs, and so on) by investing \$2500 x 100,000, or \$250 million, over two years. Under our current publicly funded weatherization program, a two-person team of auditors can first survey and later verify a typical project in two half-day sessions and a three-person crew can complete a typical project in one day. Thus, 250 projects would fully occupy five persons over the course of a year, and 50,000 projects would employ at least 1000 people full-time over the course of a year.

At this point, let me emphasize the self-financing aspect of energy efficiency. The stream of savings means that an initial capitalization can be replenished and used to continue the work. The kind of weatherization proposed in the above example (insulation, air sealing, cool roofs) typically has a simple payback of two to three years. In other words, the savings in reduced energy bills will exceed the upfront cost of the improvements in as little as two years, especially when combined with other incentives such as rebates from utilities and tax benefits. Homeowners would have no out-of-pocket costs for the improvements and use the energy savings to pay for improvements. After the payback period, homeowners would get to keep all of the savings from their lower energy bills. With a replenished fund, we could move on the next 100,000 homes. Under the scenario outlined here, we could weatherize every row home in Philadelphia in less than a decade, harvesting a huge return in reduced energy consumption and greenhouse gas emissions while saving our constituents money every year.

Drinking Water Adaptation/Residential Water Efficiency (Title III, Subpart D, Section 381) - Philadelphia’s Green Infrastructure Program – Through our “Green City Clean Waters” plan we propose to deploy green space as a public utility by placing thousands of new trees on city streets; increasing the amount of green open space; using pervious pavement on parking lots and playgrounds; building green roofs; and distributing rainwater collection barrels to homeowners. In addition, green infrastructure investments are much more sustainable when we consider their potential as an adaptive approach to climate change and sea level rise. Indeed, investing in new green infrastructure technologies make us more competitive. Green infrastructure demands investments in new green technologies and job skills. *Estimates made for Philadelphia of the value of the environmental, social and direct economic benefits of green storm water infrastructure indicate that there is a dollar-for-dollar return on investment.*

Green stormwater infrastructure creates jobs, which require no prior experience and are therefore suitable for individuals who might be otherwise unemployed or underemployed. These new jobs create a benefit to society in reduced poverty-related costs, in addition to the wages paid to the individual worker. The stabilizing and transforming effects of green stormwater infrastructure in neighborhoods further reinforce and support the benefits of providing employment to a population that is outside the labor force.

As Philadelphia’s green stormwater infrastructure program is implemented over the coming years (through the realization of green streets, green public facilities, green schools, etc.), we expect to see approximately 250 people employed in green jobs on an annual basis. Anticipated skills that will be demanded to support the green job economy include tree care, landscaping and expertise in native plants, landscaping design, infiltration testing, system monitoring, natural stream system design,

invasive plant removal - an array of skills that currently are not a core component of traditional stormwater infrastructure.

The Philadelphia Water Department (PWD) is currently working with a number of partners, including the Sustainable Business Network, to begin defining skill curriculum and job training as we implement, maintain and monitor PWD's growing inventory of green infrastructure.

Here are a couple of examples of Philadelphia's green infrastructure projects that could be started immediately, with adequate funding:

Green Streets: A second scalable program (up to \$2 million ready to go) is our Green Streets program that involves a variety of approaches for all types of streets, from fairly simple strategies like increasing tree cover to more ambitious redesigns that include the use of vegetated sidewalk planters and bump-outs and underground infiltration areas developed in adjacent lands. Over time, this new "green standard" for city streets will touch every neighborhood in a city and result in a completely new urban form requiring \$100s of millions in new investment.

Green Corridors: A South Philadelphia main street, the West Passyunk Avenue Business Corridor is home to dozens of small businesses and tens of thousands of residents. We have a \$6 million project ready to implement that would create 100 jobs by installing green sidewalks that are landscaped to manage storm water, improved new traffic signals to reduce air pollution caused by congestion, and new energy efficient street lights. This project is a triple win: creating construction jobs, rehabilitating infrastructure that serves small business, and improving air and water quality.

Confronting Energy and Climate Challenges through Sustainable Metropolitan Mobility (Title 1)

Let me now speak to energy and climate challenges from the transportation sector. Reducing dependence on foreign oil, reducing greenhouse gases, and rebuilding and modernizing our nation's transportation infrastructure are priorities for The U.S. Conference of Mayors.

We will not be able to deal with our energy and climate challenges, without confronting this sector.

The transportation sector – its systems and practices – has played a significant part in growing the nation's energy dependency on foreign energy supplies, principally petroleum, and in contributing to higher oil prices and other energy price increases. In 2007, 69 percent of the nation's total petroleum products were consumed in the transportation sector, with petroleum products powering more than 98 percent of the nation's transportation mobility.

As the world's largest energy consumer and largest greenhouse gas emitter, our nation cannot remain economically competitive with the world if we continue down this path. We are being left behind in this area by our world neighbors – from Germany to China – make deep investments in modern transportation systems. This means that going forward, all federally-assisted transportation investments must - as this legislation does - address energy and climate concerns, through needed shifts and reforms in federal policies and programs that emphasize sustainable transportation investments, led by increased investment in public transit, especially electric vehicles powered by sustainable sources, and intercity passenger rail.

This led the Conference to enjoin Siemens and GlobeScan Incorporated to prepare a national study on sustainable metropolitan infrastructure, which included a survey of 140 cities in 40 states. This June

2009 report, *The United States Conference of Mayors Metropolitan Infrastructure Sustainability Study*, assisted the Conference of Mayors in preparing its sustainable transportation platform, *Investing in Livable Cities to Meet 21st Century Transportation Challenges*, in preparation for the next federal surface transportation authorization, which is also under the jurisdiction of this Committee.

An overriding finding of the report was that cities already recognize the importance of infrastructure decisions in helping combat climate change (76 percent) and a strong majority of cities (79 percent) agreed that current federal/state practices must be reformed to give their city greater decision-making power over infrastructure investments. Going forward, mayors, especially in our metropolitan areas, must be empowered to invest federal resources in sustainable transportation.

A compelling local example can be found in Denver Mayor John Hickenlooper, who chairs the Conference Transportation Steering Committee. The mayor was honored this summer at our Providence Annual Meeting, winning our Mayors Climate Protection Award in the large city category for his leadership on rail transit development. Denver's FasTracks initiative is the largest single build-out of rail transit in the nation's history, leading to more than 100 miles of new rail transit service throughout the Denver metropolitan area.

This Committee's support for transportation funding eligibilities in earlier TEA laws helped lay the groundwork for this massive initiative in an earlier project, named T-REX, where a rail transit line was built simultaneously with improvements to Interstates 25 and 225. The FasTracks program and the T-REX project further underscore the importance of your commitment to proceed towards reducing greenhouse gas emissions from transportation, principally through transit, and your upcoming debate on legislation renewing the SAFETEA-LU law.

FasTracks will fundamentally redirect housing and development patterns in this vast and growing metropolitan area. When completed, this investment will reduce driving and congestion, curb oil dependency and greenhouse gas emissions and stimulate a host of related green-oriented investments and the thousands of green jobs that ultimately result from this initiative.

In my own city, we have dense neighborhoods with sidewalks, off- and on-street bike lanes and a far-reaching public transportation system. We can easily walk, bike or ride transit throughout the city limits and beyond. This means that our residents spend less money on gasoline and other car expenses, and emit significantly less greenhouse gases each year than residents in the neighboring suburbs. All of this means that each year, Philadelphians emit 10.2 tons of carbon equivalents per capita versus a national average of 23.6 tons per capita.

And this is only a start...

I want to take a few moments to describe Philadelphia's ambitious steps to further reduce transportation related emissions as described in *Greenworks Philadelphia*, our city's sustainability plan. Philadelphia has already decreased its greenhouse emissions by nearly 10 percent from its 1990 levels, but we recognize that we must do more. We aim to lower our emissions by 2015 to a targeted reduction of 20 percent below 1990 levels.

Over the past five decades, Philadelphia lost jobs and residents. The pulls that caused people to leave our city and others like it were driven in part by government policies that valued highways over transit and new tract housing over older row homes. But, in recent years, Philadelphia has begun to witness a

rebirth. In many of our neighborhoods, people and jobs are moving in and private investments are being made. People again view our walkable neighborhoods and public transportation systems as assets to value and nurture. In June, I signed an executive order to formalize a policy that began when I took office: ***a complete streets approach to transportation***.

The Complete Streets policy applies to planning, designing, constructing, maintaining or operating transportation facilities including park roads, drives and paths. The order directs all City departments and agencies to:

1. Give full consideration to the safety and convenience of all users of the transportation system, be they pedestrians, bicyclists, public transit users or motor vehicle drivers;
2. Place a high priority on the safety of those traveling in the public right of way, and in particular the safety of children, the elderly, and persons with disabilities.

The adoption of a *Complete Streets* policy builds on Philadelphia's history of being a great city for walking, biking and riding transit. I expect every City agency to incorporate this policy, constructing a future where it is easier than ever before to walk, bike or take transit. This will enable Philadelphia to really focus on becoming a more livable community.

Although Philadelphia already enjoys a low per capita vehicle miles traveled rate, our goal of reducing miles driven by 10 percent per capita will lower transportation costs even more and bring quality of life benefits to residents. Philadelphia has the type of transit system that many progressive cities are trying to build and gives the city a competitive advantage. I want to recognize SEPTA's efforts to increase transit ridership through further service and capital improvements and its movement to a new fare technology system. Transit Oriented Development investments supported by the City will also help induce more people to use public transit. Finally, the appointment of Philadelphia's first Bicycle and Pedestrian Coordinator will help grow the city's thriving bicycle culture as it seeks to create a city-wide trail network.

Even as new sustainable transportation assets are created, the City must ensure that existing transportation infrastructure is in good repair and are deemed sustainable.

My experience in Philadelphia is characteristic of so many cities and counties that are moving forward with these kinds of investments. However, as reported in the Conference's Sustainability Study, the single greatest infrastructure challenge – raised by three in five cities – is obtaining the funding to meet infrastructure needs. Steps must be taken through this legislation, and through the reauthorization of SAFETEA-LU, to invest in sustainable transportation.

Conclusion

In my statement, I have provided several examples of the energy and climate work underway in the City of Philadelphia. Mayors throughout this nation could similarly testify to their many efforts. All mayors know, and have seen firsthand, how these innovative practices and programs stimulate the economy, create jobs, and protect our environment. At the same time, we know that the potential to do more, including creating millions of new jobs, is vast and that we have only scratched the surface.

We believe this legislation moves the nation forward to the goals of capturing this potential -- a single action that will leave generations that follow with a safer, cleaner and more secure future. The time to

act is now. The Clean Energy Jobs and American Power Act you have developed is the right direction at the right time.

I congratulate you, Chairman Boxer, and Members of this Committee for your hard work on this critically important legislation. As you move forward, and we encourage you to do so as expeditiously as possible, the nation's mayors will be supporting your efforts as you move to enact comprehensive energy and climate legislation during this Congress. Thank you for this opportunity to testify on behalf of the Conference of Mayors and the nation's mayors.