

Statement of Governor Chris Gregoire  
State of Washington

Before the

Senate Environment & Public Works (EPW) Committee  
July 21, 2009

Chairs and members of the Committee, thank you for the opportunity to present Washington State's view on energy, and more specifically, on the "green jobs" that will come with a clean energy future.

In Washington State we believe many of the jobs of the 21<sup>st</sup> Century Economy will be related to energy. In its July 2009 report, the President's Council of Economic Advisers report that growth in energy and environmental related occupations is projected at 52% for the period of 2000 through 2016, while growth in all other occupations is estimated at 14%. In Washington State, we are banking on that for our economic future. With your help, we are acting now to lay the groundwork to come out of this recession even stronger than when the slowdown began.

In partnership with the private sector, Washington has been aggressively pursuing alternative energy strategies since before the current recession. In 2006, by initiative of the people, the citizens of Washington State affirmatively declared that their future would include a growing use of clean energy. We have had tax incentives for wind and solar energy projects in place since 1996, adding landfill gases and fuel cells in recent years. Earlier this month, we added state tax incentives for biomass energy, ocean energy, geothermal, anaerobic digestion, and waste heat energy.

With these commitments, in combination with federal incentives secured by Senators Cantwell and Murray with your help, Washington State is now the 5th largest producer of wind power in the nation, up from nothing in 2001 and now 5<sup>th</sup> of 36 states producing wind power. We are building solar-power components, growing and refining biofuels, and making break-throughs in tidal energy. Just two weeks ago, a company announced it will build what would be the largest solar panel energy generation plant in the United States in a town called Cle Elum that, interestingly, was once a coal town.

We have McKinstry in Seattle leading the way in construction of green buildings; Inland Empire Oilseeds in Odessa with a multi-million dollar biofuel plant; and Blue Marble Energy and Bionavitas working to turn algae into fuel. We are also fortunate to have the Pacific Northwest National Lab in Richland, Washington where grid-friendly appliances.

With the ongoing belief these new opportunities hold the key to emerging more strongly from this recession, the state legislature recently created a Clean Energy Leadership Council, a public-private collaboration tasked with identifying the necessary investments, policies and partnerships for our state to be a leader in the clean energy economy.

Our energy strategy is a job creation strategy. In 2007, when we adopted a set of climate change goals related to reduced greenhouse gas emissions and reduced fuel use, we also set a goal to triple the number of green jobs we had in the state – to reach 25,000 green jobs by 2020. Less than two years later, we can point to 47,000 green jobs right now. Our green jobs are growing much faster than predicted. These jobs range from computer software engineers for the smart grid to power line workers, from green building architects to weatherization technicians, and from bioenergy venture capitalists to oilseed farmers. Washington labor market information agency has shown real leadership in developing the tools to quantify green job efforts, and we are working with other states and private, non-profit institutions to promote solid measurement of green jobs around the country. We learned green jobs are not necessarily some brand new type of job – they are often jobs we all know, only now they include new skills to meet the needs of the new century – for example, the electrician who can wire a smart home.

In Washington State, our commitment to green jobs is fundamentally a commitment to **high quality, living wage** jobs. The key to these jobs is innovative companies and highly skilled workers. I appreciate the support you are showing for the training needs that are emerging in the green economy. Through the American Recovery and Reinvestment Act, Congress and the Administration has provided significant resources to fund the *Green Jobs Act of 2007* to invest in energy workforce training opportunities. Additionally, with the work of Senator Murray and many here, the Recovery Act increased funding to the Workforce Investment Act. I am creating an incentive fund using the WIA 10% to be used as matching awards for local WIA formula funds that Workforce Development Councils use for direct training in green jobs that promote alternative energy and energy efficiency. These funds will also be used to build capacity at our community and technical colleges as well as leverage other Recovery funds. You can count on Washington State to continue to pursue these funds creatively and aggressively.

Like President Obama wrote in his July 12 *Washington Post* op-ed, “[o]ur community colleges can serve as 21<sup>st</sup>-century job training centers, working with local businesses to help workers learn the skills they need to fill the jobs of the future.” As you look to expand training opportunities in the green economy, again, we are doing our part, particularly through our own terrific community college system. Innovative curriculum examples include: Bates Technical College, green construction and remodeling; Bellevue College certificate in green/sustainable design; Columbia Basin College, solar and photovoltaic design; Cascadia Community College has an environmental technologies and sustainable practices curricula including solar specialties and energy management skills. Clover Park Technical, Edmonds, North Seattle, Shoreline, Skagit Valley, South Seattle, South Puget Sound, and Wenatchee Valley College all have similar and creative programs.

I would also invite you to look at ways to encourage apprenticeship as a model for green jobs training. Apprenticeship programs have the industry expertise, established networks and needed flexibility to meet the challenges of this rapidly evolving new industry sector. Because registered apprenticeship is controlled at the local level by employers and employees - created jointly and sustained by labor and management – it is uniquely positioned to respond quickly to industry changes and technological advancements. In Washington State, we are already seeing apprenticeship programs making the shift to industry demand around green jobs. One program in Southwest Washington added a full year to its residential electrician training program in order to

include training on solar panels and home technology integration (Smart Houses). The Machinists in Seattle are now offering training on wind turbine technology. The Seattle area Pipe Trades apprenticeship has a class for apprentices to receive a “Green Awareness” certificate. The class covers a vast array of topics including high efficiency appliances and fixtures, water conservation, distribution systems, and irrigation and reuse systems.

In addition to providing high quality on-the-job-training, apprenticeship also offers the kind of career paths that will give workers the opportunity to earn a living in good, family wage jobs. The jobs we are talking about are typically in the construction trades and provide good wages and benefits.

As Governor, I have been committed to expanding apprenticeship opportunities. In Washington State, we have almost doubled the number of apprentices since I took office. We have also created a pre-apprenticeship program, “Running Start for the Trades,” that links high school students to high quality apprenticeship programs. We have made a commitment to our veterans by supporting “Helmets to Hardhats,” a program that gives veterans direct entry to apprenticeship programs and allows credit for military training.

We think apprenticeships offer an excellent training model as we move forward with our Green Jobs initiative. Our goal with training programs and apprenticeship strategies is to create strong career ladders in the green economy, growing family wage jobs and not just short term employment opportunities.

I’d like to speak briefly to the relationship between energy and climate. In effect, energy policy and climate policy are of the same cloth – the actions needed to secure our energy future are the same as those needed to respond to the imperatives of climate change science. Both energy and climate point in the same direction, and we have taken actions that, by necessity, address both in tandem – actions such as clean energy tax incentives, renewable energy standards, and strong energy efficiency standards for buildings and appliances. Just last month, the Western Governors Association – to include the governors from the 19 western states and 3 western territories – adopted a policy that urges Congress and the President to act decisively to create a national policy to that reduces greenhouse gas emissions in a manner that is both consistent with the findings of scientific research and encourages job growth, innovation, and entrepreneurship. I have submitted that policy for the record.

I’ve come to this hearing from a National Governors’ Association meeting in Biloxi, Mississippi. There, I co-chaired an Economic Development & Commerce Committee session devoted to discussing how states and the nation will emerge from this recession by virtue of technological innovations in the areas of energy as well as, for example, the life sciences. I assure you that what I’ve described in Washington State is proving true around the country.

Governors and states are actively charting a course toward the next century, making critical investments in the research and development, training, and infrastructure to support private sector success. Your actions in this committee – looking at comprehensive energy and climate legislation – are a central part of those efforts in terms of moving us toward a new energy future. That is precisely what governors are looking to Congress for.

I know that there are many Committees working on this issue and I believe that is a good thing. Energy and climate issues cross so many facets of our lives that it is as vital for Congress to work collaboratively and cooperatively across committees as it is for the President and me to have our many agencies doing the same thing. For green jobs, specifically, I believe the Health, Education, Labor and Pensions (HELP) Committee's work can also be quite instructive for supporting and retooling many excellent training programs already in place.

With the permission of the Chairs, I would like to add one additional document to be made a part of the record. This document is a statement of principles signed by a bipartisan coalition of 31 governors from every corner and region of our country. Our coalition calls on Congress to pass comprehensive energy policy legislation that breaks our dependence on foreign oil by making investments in using energy more efficiently and producing more clean energy here in the United States. These steps will generate the very green jobs we've been talking about today.

Forbes magazine ranked Washington in the top five states in which to do business and in the top five "green" states. I feel strongly that what you are doing here in Washington, DC is helping to make success possible, both in our state and around the country and, frankly, to position the United States of America to be a global leader in the "green" technological innovations of the future.

In closing, I want to thank you for the efforts you are making – for the substantial federal commitment you have made – and need to continue to make – to promote energy independence and alternative energy sources, and to ensure our economic recovery.

Thank you for your time today and thank you for your work. I am happy to take any questions you have.

**Western Governors' Association  
Policy Resolution 09-3**

***Regional and National Policies Regarding Global Climate Change***

**A. BACKGROUND**

1. Atmospheric concentrations of greenhouse gases are rising due to human activities including land use changes and the combustion of fossil fuels, and are projected to continue to increase. Increasing concentrations have had and will continue to have marked effects on global climate. Numerous states and the western region have begun working together on new policies to reduce greenhouse gas emissions and to influence national and international policy.
2. In recent years, the West has experienced very significant droughts across much of the region, reduced snow pack, altered precipitation patterns, severe forest and rangeland fires, warmer temperatures and forest diseases. Climate change and variability have contributed to these impacts. Climate change will have severe economic and environmental impacts on the West in coming decades, including effects on agriculture and tourism, infrastructure (including dams, roads, water and sewer systems), loss of coastal areas, changed fisheries and wildlife, water shortages, storm impacts, and soil erosion.
3. Countries around the world are working to reduce greenhouse gas emissions. In its 2007 assessment report the Intergovernmental Panel on Climate Change declared warming of the global climate system is “unequivocal” and that it is “very likely” due to human caused increases in greenhouse gas pollutants. There is widespread global agreement that climate change presents risks that should be addressed through changed practices and preparation for changed conditions.
4. Appropriate actions are needed to reduce greenhouse gas emissions. Many of these actions could create significant economic benefit for the West, as the United States moves toward new energy sources and technologies that favor domestic resources and carbon sequestration. The opportunities to deploy clean and renewable energy and energy efficiency are abundant in the West and may economically and environmentally benefit states by providing jobs, increasing revenues, improving air quality, increasing energy efficiency, saving costs, conserving water and reducing water pollution.
5. Western states are developing and implementing greenhouse gas reduction policies and some are engaged in climate change agreements that cross state borders. A number of these policies are being developed in conjunction with Canadian provinces. The experience from these projects could be useful to other Western Governors and throughout the Nation as we implement measures to address climate change.
6. The United States government is working to enact national climate change policy. On May 19, 2009, President Obama announced a historic national policy that will reduce greenhouse gas (GHG) emissions and improve fuel economy for all new cars and trucks

sold in the United States. On May 21, 2009, the House Energy and Commerce Committee reported the American Clean Energy and Security Act calling for electric utilities to meet 20% of their electricity demand through renewable energy sources and energy efficiency by 2020 and the establishment of a national cap-and-trade program to reduce carbon emissions from major U.S. sources by 17% by 2020 and over 80% by 2050 compared to 2005 levels.

**B. GOVERNORS' POLICY STATEMENT**

1. Western Governors urge Congress and the President to act decisively to create a national policy to reduce greenhouse gas emissions. Such a policy should be developed in a manner that: (1) is consistent with the findings of scientific research; (2) encourages job growth, innovation, and entrepreneurship; (3) combines market-based and other policies to reduce emissions in the most cost-effective manner; (4) recognizes and encourages local and state action to reduce emissions; and (5) will encourage comparable action by other nations that are major trading partners and key contributors to global emissions.
2. The Western Governors urge Congress and the President to form national strategies that enhance state authority and leverage partnerships between national, state, tribal, and local governments, build on states' expertise, and encourage states to continue development and implementation of a range of policies. Both market and complementary policies will be necessary to most effectively achieve emission reduction goals. States are uniquely well-positioned to implement policies that overcome market barriers, mitigate costs to consumers and protect vulnerable populations, accelerate new technologies and engage solutions from farms and forests, and otherwise build on the unique strengths and resources of the United States' diverse regions. States should be encouraged, through the use of emission allowance value from a national cap-and-trade program, to adopt such policies that reduce emissions and accelerate technology to the benefit of the nation.
3. The Western Governors urge Congress and the President to recognize and encourage state action in any national market-based emission reduction policy. Where state, tribal, and local actions achieve greater reductions than national policy alone, a national strategy should ensure the integrity of these reductions and not allow compensating increases elsewhere in the country. Such a policy should protect our national interests by supporting state initiative and avoiding unfair competitive advantages and leakage.
4. Western Governors support national, regional, state-level, and tribal policies on global climate change that are consistent with efforts to develop cost-effective clean energy sources and more efficient use of energy in mobile and stationary sources. Western Governors support the implementation of greenhouse gas mitigation tools such as carbon sequestration that have broad public support and potential economic benefit and can help address the unique conditions of the West.
5. Western Governors support national, regional, state-level, and tribal policies on global climate change which comprehensively address transportation emissions with a multi-faceted approach focusing on vehicle emission standards, low carbon fuels, and land use and transportation planning.

6. Western Governors recognize the need for collaboration among Western states to develop climate change policies that consider the unique conditions of the West and provide consistent approaches to recognize and give credit for actions to reduce greenhouse gas emissions.
7. Western Governors recognize that impacts of climate change are presently observed in Western states, and anticipate greater and different impacts in the future. Adaptation to climate impacts will require a wide range of responses and choosing best strategies will require new information. Adaptation decisions will require highly local knowledge and implementation. Local, state, tribal, and regional organizations are uniquely qualified to implement decisions. The federal government should invest sufficient resources to develop the localized modeling and assessment tools necessary to predict and respond to climate changes and associated impacts, and to develop decision tools for state and local governments to assist in state and local adaptation efforts.
8. Western Governors recognize the need to be able to proactively respond to short-term climate change and variability, e.g. drought, forest fires, significant precipitation events, and extreme heat events. Western Governors support creating at the federal and regional level the information, organization, and funding necessary to proactively respond rather than react to these increasingly frequent events.
9. States maintain various water-related plans including state water plans, watershed plans, state drought plans, reservoir management plans, and flood plans. The federal government should provide support and cooperation so that these plans can be consistently and accurately expanded or enhanced to include climate change scenarios, especially within the context of watershed planning.
10. Federal agencies should invest in research programs to study climate change impacts and address scientific questions relevant to the West at the regional, state, and local levels. The Governors believe research should appropriately emphasize decision support, in order to engender informed discussion of climate change issues by decision makers, stakeholders, the media, and the general public. The Western Governors urge Congress and the President through the Climate Change Science Program to fund research for improving predictive capabilities for climate change and related impacts. Additionally, because of the complex climatology in the West, it is important that climate change modeling be conducted on a much finer resolution, e.g. watersheds and sub-watersheds.
11. Given the global nature of climate change, Western Governors encourage both the U.S. government and the international community to recognize the important role of sub-national governments in crafting responses to climate change. The Governors support explicit inclusion of this role in any international agreements reached, including under the United Nations Framework Convention on Climate Change.
12. Western Governors support a full and vigorous discussion, including all stakeholders, and consideration of all alternatives regarding the reduction and mitigation of greenhouse gases, adaptation policies and other global climate change measures.

**C. GOVERNORS' MANAGEMENT DIRECTIVE**

1. The Western Governors' Association shall post this resolution to its web site to be referred to and transmitted as necessary.
2. The Governors direct WGA staff to work with the appropriate federal, regional and state agencies in implementing this resolution.



## Governors' Energy and Climate Coalition

### Statement of Principles

May 21, 2009

We, the undersigned Governors, agree to the following principles, and agree to publicly support and seek the implementation of these principles in public policy at every opportunity.

- **The United States urgently needs a comprehensive energy strategy that will generate millions of clean energy jobs, break our dependence on foreign oil, and reduce the threat of global warming. Therefore we support and will lend our voice to Congress to pass legislation that invests in using energy more efficiently and producing more clean energy at home, and sets a cap on greenhouse gases to reduce emissions to levels guided by science to avoid dangerous global warming.**

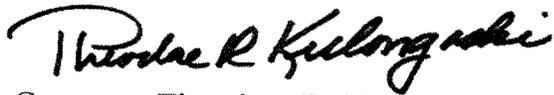
- States are where the green economy is being built. States are critical to implementing the clean energy policies necessary to help workers, consumers, businesses, and manufacturers prosper in this new economy by accelerating the deployment of energy-efficient and low-emission technologies, assisting industry to retool and workers to retrain, mitigating costs to consumers and businesses, engaging natural solutions from farms and forests, and preparing for the unavoidable impacts of climate change. Therefore we pledge to work with Congress and the Administration to develop a strong state-federal partnership to create and preserve our jobs and industry, keep the United States competitive abroad, and at the same time address climate change threats.



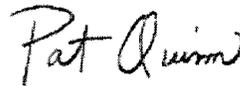
Governor Christine O. Gregoire  
Washington



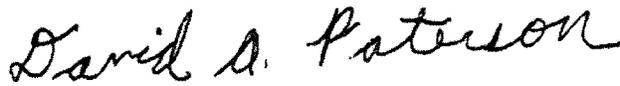
Governor Arnold Schwarzenegger  
California



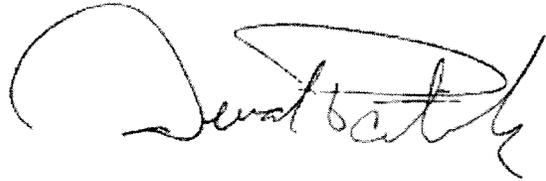
Governor Theodore R. Kulongoski  
Oregon



Governor Pat Quinn  
Illinois



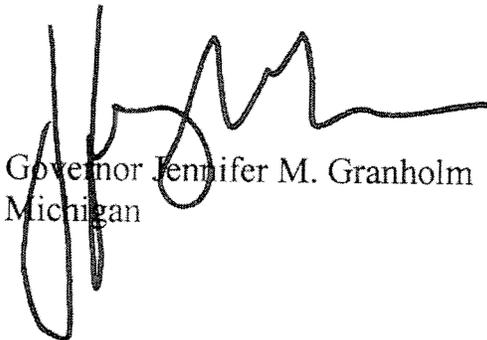
Governor David A. Paterson  
New York



Governor Deval Patrick  
Massachusetts



Governor Jack Markell  
Delaware



Governor Jennifer M. Granholm  
Michigan

Governor M. Jodi Rell  
Connecticut

  
Governor Jim Doyle  
Wisconsin

Governor Jon S. Corzine  
New Jersey

Governor Martin O'Malley  
Maryland

Governor Bill Ritter, Jr.  
Colorado

Governor John Baldacci  
Maine

  
Governor John H. Lynch  
New Hampshire

Governor Edward G. Rendell  
Pennsylvania

Governor Brian Schweitzer  
Montana

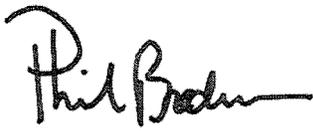
Governor Bill Richardson  
New Mexico

Governor Chester J. Culver  
Iowa

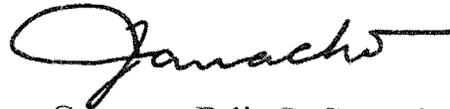
  
Governor Jon M. Huntsman, Jr.  
Utah

Governor Timothy M. Kaine  
Virginia

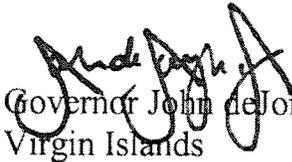
Governor Mark Parkinson  
Kansas



Governor Phil Bredesen  
Tennessee



Governor Felix P. Camacho  
Guam



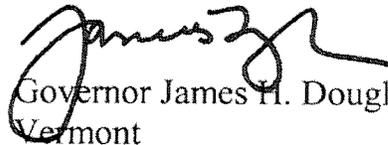
Governor John deJongh, Jr.  
Virgin Islands



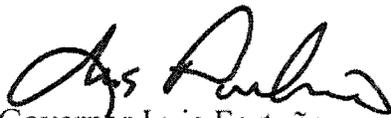
Governor Beverly Perdue  
North Carolina



Governor Donald L. Carcieri  
Rhode Island



Governor James H. Douglas  
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Governor Luis Fortuño  
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Governor Charlie Crist  
Florida



Governor Mike Beebe  
Arkansas  
(Added May 22, 2009)