



Massachusetts Sierra Club
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May 18, 2011

Re: Testimony in support of S.1686, An Act Providing Funding for Clean Energy and Energy Efficiency Measures for Public Schools

Chairman John Keenan
Joint Committee on Telecommunications, Utilities and Energy
State House, Room 473B
Boston, MA 02133

Chairman Ben Downing
Joint Committee on Telecommunications, Utilities and Energy
State House, Room 413F
Boston, MA 02133

Dear Chairman Downing, Chairman Keenan, and Members of the Committee,

Thank you for providing this opportunity to offer our comments on S.1686, *An Act Providing Funding for Clean Energy and Energy Efficiency Measures for Public Schools*. The Sierra Club wishes to express our strong support in favor this legislation.

The Sierra Club is the oldest and largest non-profit, non-partisan organization environmental organization in the country. With over a forty year history in this chapter, the Massachusetts Sierra Club represents about 22,000 members throughout the state and nearly one million nationwide. We fight for clean air, clean water, the preservation of the Commonwealth's most precious natural spaces, and healthy, vibrant communities.

This bill directs EEA, in cooperation with other pertinent agencies, to develop and implement a plan for carrying out the measures called for in this bill.

A maximum of \$50,000,000 may be raised by selling bonds to finance a revolving loan fund. School districts may borrow from this fund to finance the money- and energy-saving measures.

This proposed legislation **reduces greenhouse gas emissions** while **increasing jobs**. It also **increases revenue** to school districts and to the state treasury and saves cities and towns money.

S1686 increases revenue to school districts because the improvements to school buildings that it finances more than pay their amortization cost through savings in energy costs. The school district immediately begins to receive 10% of the annual energy-cost reduction. The remaining 90% goes toward paying off the loan that financed the improvements. After that pay-off period, 100% of the savings goes to the school.

Financing of the building improvements is done through bonds that will be paid off with savings in energy costs. No project can be undertaken unless the resulting energy savings are enough to retire the loan.

Jobs are created in order to install the improvements. The wages produce sales and income-tax revenue to the state treasury. We ask that you please report "ought to pass" on Senate Bill 1686.

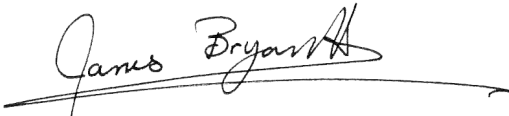
Utility Costs Savings in Schools

There are more than 1,800 elementary and secondary public schools in the Commonwealth, with a total of 173,366,462 gross square feet¹ With only a 10% reduction in utility costs, school districts could annually save a total of \$37 million of the amount spent in 2009.²

	FY04	FY05	FY06	FY07	FY08	FY09
Heating of Buildings	89,261,692	103,259,473	123,965,696	129,841,625	138,168,540	140,061,874
Utility Services	159,181,794	166,679,673	202,485,250	212,317,740	217,260,823	229,126,913
Total	248,443,486	269,939,146	326,450,946	342,159,365	355,429,363	369,188,787
% increase		8.70%	20.90%	4.80%	3.90%	3.90%
Ave. % increase	8.40%					
10% savings:	\$37 million/yr at 2009 cost					

Because this proposed legislation would help decrease energy use and offer a cost effective model for additional decreases in our global warming gas emissions, the Sierra Club strongly supports this bill and respectfully requests that this committee report these bills favorably. Furthermore, we hope that these bills receive the full support by all members of the Senate and House of Representatives.

Respectfully,



James McCaffrey
Director
Massachusetts Sierra Club

¹ Massachusetts School Building Authority, Needs Survey, pp14. April 29, 2011
www.massschoolbuildings.org/programs/needs_survey.

² Massachusetts Department of Elementary and Secondary Education, Office of School Finance, Public PK-12 School Expenditures FY04 to FY09, All Funds, State Totals. <http://finance1.doe.mass.edu/statistics/trends.pdf>