



Clean Energy Jobs and Oil Company Accountability Act

Key Benefits of the Clean Energy Jobs and Oil Company Accountability Act

When enacted, the *Clean Energy Jobs and Oil Company Accountability Act* would: 1) ensure that BP pays to clean up its mess; 2) invest in Home Star, a bipartisan energy efficiency program that lowers consumers' energy costs and create jobs; 3) protect the environment by investing in the Land and Water Conservation Fund; 4) reduce our dependence on oil by making investments in vehicles that run on electricity and natural gas; and 5) increase the amount that oil companies are required to pay into the Oil Spill Liability Trust Fund.

Benefits—Oil Spill Response and Accountability

- 1. Provision:** Ensuring BP and future oil companies pay for the economic damage oil spills inflict on coastal businesses, tourism industries, and fisherman (Division A; Title I).
 - ✓ **Benefit:** These liability provisions are important because they protect the taxpayer from having to pay for any of the economic damages caused by oil spills, including the billions in estimated economic damages caused by Deepwater Horizon spill.
- 2. Provision:** Making structural reforms within the Department of Interior to help correct historical corruption issues within the Department of Ocean Energy (known previously as the Minerals Management Service), (Division A; Title III).
 - ✓ **Benefit:** These reform provisions are vital because the Department of Ocean Energy, responsible for managing the taxpayer's oil and gas resources, has historical corruption issues between its employees and the oil and gas industry. The improper management of this agency can result in the loss of billions of dollars owed to the taxpayer, exemplified by the omission of royalty provisions from oil and gas lease contracts signed in 1998 and 1999, which the Government Accountability Office estimated could cost taxpayers as much as \$53 billion.
- 3. Provision:** Requiring oil companies to fund federal inter-agency research and development efforts on technologies that prevent and respond to oil spills (Division A; Title II).

- ✓ **Benefit:** These requirements would benefit coastal residents because they will help ensure that oil companies meet their legal obligation to respond to oil spills and prevent the type economic damage caused by the Deepwater Horizon oil spill. This is important because the response by BP to Deepwater Horizon oil spill has revealed oil companies are using essentially the same technologies oil spill technologies that Exxon was using to respond to the Exxon Valdez spill twenty years ago.
4. **Provision:** Correcting antiquated maritime and admiralty laws that deny or significantly limit wrongful death claimants and deny the ability of decedents of family members to recover non-pecuniary losses (Division A; Title V).
- ✓ **Benefit:** In the event that a wrongful death occurs offshore, the negligent party could no longer deny or significantly limit wrongful death claimants from recovering non-pecuniary damages and will allow families to recover non-pecuniary losses (loss of care, comfort, and companionship).

Benefits—Clean Energy Job Creation and Consumer Savings

Provision: The Home Star program would provide \$5 billion in residential energy and water efficiency improvements (Division C).

- ✓ **Benefit:** Leveraging private investment in residential efficiency would support the construction and manufacturing sectors, while saving consumers money on their energy and water bills. The \$5 billion of incentives for the Home Star program, coupled with private investment, is estimated to generate three million home retrofits, 168,000 jobs, and reduce residential energy and water bills by \$200 to \$500 each year.

Benefits—Reducing Oil Consumption and Pollution

Provision: Promoting the purchase and use of Natural Gas Vehicles (Division B; Sections 2001-2005).

- ✓ **Benefit:** The combustion of natural gas is substantially cleaner than the combustion of gasoline or diesel. Moreover, the EPA has found that when natural gas vehicles are compared against vehicles powered by diesel they reduce carbon dioxide emissions 25 percent depending on the source of the natural gas; significantly reduce carbon monoxide emissions; and reduce nitrogen oxide and volatile organic hydrocarbon emissions by 50 percent or more.

In terms of oil savings, the natural gas industry has estimated that by the third year of this program will be saving approximately 1.8 billion gallons of oil annually and 18 billion gallons over 10 year vehicle life.

The natural gas industry has also estimated that this program will create more than 100,000 direct manufacturing and labor jobs and more than 450,000 indirect jobs.

Benefits—Protecting the Environment

Provision: Providing full funding for Land and Water Conservation Fund (LWCF) over the next five fiscal years (Division D).

- ✓ **Benefit:** Fully funding the LWCF help to further support outdoor recreation which supports 6.5 million jobs, generates \$88 billion in annual state and national tax revenue, and \$730 billion annually to the U.S. economy. The permanent funding provided to it by the *Clean Energy Jobs and Oil Company Accountability Act* would give the LWCF the ability to begin address the \$12 billion backlog in eligible state projects, protect tens of thousands more acres of land, and leverage billions of dollars to protect the nation's great outdoors.

Benefits—Oil Spill Liability Trust Fund

Provision: Increases the \$1 billion liability cap of the Oil Spill Liability Trust Fund to \$5 billion and the increases the amount that oil companies are required to pay into the Oil Spill Liability Trust Fund to 45 cents per barrel (Division E).

- ✓ **Benefit:** The maximum amount of money that may be withdrawn from the Fund is \$1 billion per incident. Currently, there is approximately \$1.5 billion in this trust fund. The nonpartisan Congressional Research Service has stated, “a major spill, particularly one in a sensitive environment, could threaten the viability of the fund.”