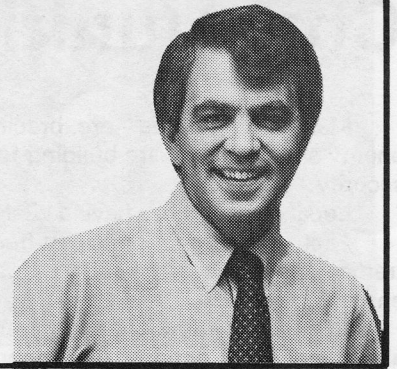


Senator

Paul Tsongas Reports

December 1980



Dear Friends:

Last April, I presented **The Massachusetts Plan: Through Survival to Stability** in a speech at UMass (Boston). Although energy is its critical element, it is more than an energy plan. It is a comprehensive blueprint for our economic survival with 256 specific suggestions. It calls for decisions by individuals, business leaders, and public officials to ensure our energy and economic security.

History indicates that we generally delay decisions until events force them on us. It took Pearl Harbor to get most Americans to recognize World War II. It took the oil embargo and the 1979 gas lines to get most of us to think about the price and supply of energy.

The Massachusetts Plan and this newsletter outline the decisions that are being made and can be made by six million Massachusetts citizens. Taken together, they can guarantee the economic future of our region. The decisions are as simple as deciding how to travel to and from work. They are as complex as challenging centralized energy with small-scale hydroelectric plants.

Will you join me in making the decisions that will make our state and nation self-sufficient? Will we have the foresight to ensure that our children don't die in some war fought over scarce resources that someone else has and we want? Can we be independent again?

The decisions we make will not only have long-term effects. They will be felt in our homes, communities and state immediately. Haven't you noticed the larger percentage of your family budget that goes for transportation and heating? Haven't you felt the impact of energy costs for schools and public buildings in our community? Do you know that Massachusetts sent \$6 billion overseas for energy this year?

As a legislator, I have participated in decision making that can help us secure our energy future. I authored legislation for the Solar and Conservation Bank. It became law this year and will be activated in 1981. I also introduced the Community Energy Act, which the Senate passed. I will keep working hard for its passage by the Congress in 1981. These legislative actions can help you and your community fight back against the high cost and high risk of depending on foreign oil. I have spent a lot of my time and effort on these initiatives and this issue. It has been satisfying to see progress being made.

Not to decide is to decide. As individuals, as communities, as a state and a nation, we cannot responsibly put off the time for decision any longer. It is truly now or never.

Paul

Through Survival to Stability

THE MASSACHUSETTS PLAN

The Massachusetts Plan will allow our state to survive disruptive energy shocks and to gain a measure of economic stability and security. It challenges 6 million citizens to make all their decisions in light of 5 basics:

1. **Energy.** Lacking local fossil fuels, let's get the most from what we have -- energy conservation and renewable resources such as solar, small-scale hydroelectricity, wood, and waste.
2. **Industrial Development.** Our potential for new jobs and economic growth is greatest in sectors that depend more on human resources than on energy -- high technology in particular and service industries in general. We must concentrate on meeting their needs.
3. **Transportation.** This is a crucial economic sector -- and a major source of energy waste. Let's move people and products much more efficiently.
4. **Urban Revitalization.** To cut energy waste, new industrial and residential growth must be directed into urban areas rather than sprawling suburbs.
5. **Quality of Life.** We must enhance the quality of life here -- our historic sites, arts and culture, ethnic diversity, education, recreation, and the environment -- to attract and hold business, industry, and individuals.

This newsletter describes some of what people in Massachusetts already are doing in these directions. Many of the projects are within your power as a Massachusetts citizen -- if you decide to accept the challenge and to participate.



Photo by Jane McWhorter

"Monterey Lights the Way." These Monterey residents helped their community beat the other U.S. entries in an international competition to cut electricity use. They have challenged the residents of St. Stephen, New Brunswick, who edged them for first place, to a one-week rematch next spring. (Story on page 2.)

Communities Can Protect Themselves

Many communities are bracing themselves against energy shocks. They are building for a future of economic security.

Local communities have a vital role for two reasons:

First, many local policies affect energy use: zoning, traffic, parking, mass transit, etc. Local decisions affect energy use greatly.

Second, communities can strengthen the message about individual actions. To know that your neighbor is conserving energy, too, is an incentive. Your own actions feel less like a drop in the bucket. In addition, since conservation benefits society generally, everyone (not just a few "sacrificial" citizens) should practice it.

Fitchburg and Monterey are two communities that show what community mobilization can achieve -- and has achieved:

Fitchburg: FACE the Future

In 1979, Fitchburg citizens organized to conserve energy. **Operation FACE** ("Fitchburg Action to Conserve Energy") began an intense 10-week program to attack heat loss in pre-war housing. They called on students, service groups, business leaders, public employees -- every segment of the community -- to participate. Their message went out through newspapers and radio, leafletting at supermarkets, children's posters, and door-to-door canvassing.

Volunteers were trained to use low-cost weatherstrip kits. They taught others, and helped residents weatherize their homes. Citizens turned back their hot water gauges, cleaned refrigerator coils, caulked windows, and took other low-cost steps to save energy.

This outpouring of Fitchburg's human energy was supported with federal subsidies for low-cost weatherization materials for low and moderate income residents. In addition, hardware stores pitched in with discounts for supplies. A survey at the program's end showed that 53% of the residents had begun and would continue to save energy because of Operation FACE.

The Federal VISTA program is now trying to spread Fitchburg's success nationwide. Fitchburg's success has shown the power of neighbors united to protect their future.

Help for Communities

Local government budgets will be tight in 1981, and it will be hard for communities to fund energy planning and programs. One potential antidote is the **Community Energy Act**. This bill would give communities grants to plan and implement programs in conservation and renewables. Senator Tsongas, who authored the legislation, will push for its passage by the full Congress in 1981.

Old Sturbridge

Technologies Past and Present

A community project can combine several goals of the Massachusetts Plan. That's the case with the proposed hydroelectric facility at **Old Sturbridge Village**.

The village decided to convert an existing dam on the Quinebaug River for economic reasons. The hydropower will provide 10% of the energy needed by Old Sturbridge Village.

The project also will be educational. The river already powers the Wight Grist Mill and the Hapgood Carding Mill -- working demonstrations of our primary power source in American's first half century. Educational materials will compare hydropower past and present for the 100,000 school children who visit the site every year.

The dam's conversion also complements our quality of life. It is a nonpolluting, decentralized energy resource.

Old Sturbridge Village is a living lesson of history that's contributing in a variety of ways to our future.



Operation FACE. A volunteer loads weatherstrip kits for delivery to Fitchburg residents.

Monterey: Mobilize for Conservation

Monterey recently placed second in an international competition to reduce electricity use. The contest included a town from each of the provinces in Eastern Canada and a town from each of the 6 New England states. Our state's representative -- Monterey -- made the best U.S. effort!

During October 22-25, Monterey residents cut electricity use by 15.6%. (St. Stephen, New Brunswick won with 17.5%).

Residents did it with:

- neighborhood candlelight dinners
- workshops on low cost/no cost energy-saving methods
- a new bulk-buying co-op (low prices on hot water heaters, caulking, weatherstripping, etc.)

These efforts were led by the **Monterey Energy Project**, whose chairman, Mickey Friedman, says, "We did too well too soon." They put out information about energy conservation before the community's electricity use was measured officially for the competition. He estimates that residents had cut their use of electricity by 15% before the "average use level" was established!

Monterey was national news, leading to inquiries from other communities across the country. "People finally saw a community dealing with energy," says Friedman, "not just individuals."

Community Leadership

Many other Massachusetts communities are leaders in energy planning, technical training, and downtown revitalization:

- **The Franklin County Energy Conservation Task Force.** Projects include recycling centers, fuelwood co-ops, street lighting reductions, and energy inventories.
- **Button Up Northampton.** Projects include conservation education through the school system, a model energy audit program, and bulk purchase of insulation to save money.
- **The Hampden County Skills Center** (Springfield). This is an outstanding case of public/private cooperation in job training.

Another priority in communities is to adapt vacant or underused properties for housing or mixed use. Examples of such conversions:

- The **Cuticura Soap Factory** in Malden.
- **Tabor Mills** in New Bedford.
- The **Academy Building** in Fall River.

Communities are on the cutting edge of survival in Massachusetts. If your city or town disregards the energy crisis, you and your children will suffer economically. Plan for the energy future as a community, and you and your neighbors will profit.

New Printing of the Massachusetts Plan

The complete Massachusetts Plan is now in a new booklet with much larger type. This easy-to-read reprint is available to you through the Boston office. Simply write to Senator Paul Tsongas, 2003-J.F.K. Building, Government Center, Boston, MA 02203 or call (617) 223-1890.

Also, it is now available in multiple copies for civic organizations, schools, and businesses that write on their letterhead.

Energy Initiatives in Washington

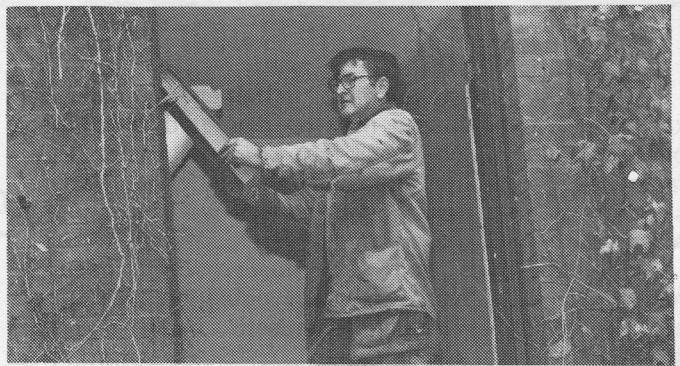
Washington alone can't save us from the energy crisis. Individuals, communities, and private enterprise must all contribute. But government programs can help focus and strengthen our various initiatives. Public officials must consider energy in all policy decisions.

As a member of the Senate Energy Committee, Paul Tsongas has worked hard to increase funding for a range of alternative energy sources. These include solar, wind, low-head hydroelectricity, biomass, ocean thermal, advanced coal technologies, gasohol, and photovoltaics.

He has authored two energy bills that became law this year: the **Solar and Conservation Bank** (see "Solar Saves \$") and the **Magnetic Fusion Energy Engineering Act**, which will speed research and development for magnetic fusion, a promising energy source.

Senator Tsongas will keep working in Congress for vital elements of a comprehensive energy policy:

- more housing weatherization, with special attention to low-income citizens
- national building energy standards
- conservation and mass transit criteria for all federal funding of residential, industrial, and commercial development
- expanded U.S. exports, with renewable and conservation technologies a priority
- full funding of mass transit
- effective environmental safeguards for nuclear energy, coal, and synthetic fuels
- aid to small businesses in solar and other renewable technologies.



Springfield College. New windows installed in dormitories at Springfield College are helping to cut energy costs. Senator Tsongas assisted the college in obtaining the grant from the Department of Housing and Urban Development that made the project possible.

Energy ABC's

Schools can make a major contribution by teaching our children about energy dangers and energy solutions. Courses about energy should be taught at all grade levels. Schools should also offer vocational training in energy conservation and renewables.

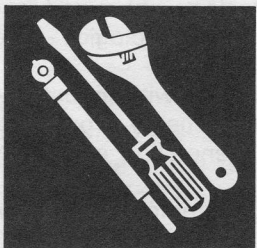
The Massachusetts Plan can be used to teach junior high school and senior high school students. School systems should consider using the Plan with courses in energy, social studies, science, and economics.

Please write to Senator Paul Tsongas, 2003-F J.F.K. Building, Government Center, Boston, MA 02203 or call (617) 223-1890.

Solar Saves \$

It's a matter of money. You can save cash by making your home more energy-efficient, and you may save still more by adding solar equipment. More and more homeowners are cutting energy costs this way.

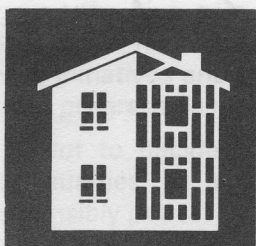
These economies can be increased by using government programs. Tax breaks and loan subsidies are available. And even if you made energy improvements last year or the year before, and didn't get a credit then, it's still not too late!



State Tax Credit. Massachusetts offers an income tax credit for equipping your home for solar or wind energy. The tax break is 35% of the energy system's cost; the maximum tax credit is \$1000. You need Massachusetts **Schedule EC**, which includes instructions.

Note: If you made a renewable energy improvement in 1979, and didn't get a credit then, there's still time to amend your tax return. Inquire with the Department of Revenue about using a **Form 33** to get the credit retroactively.

Write for information to:
Department of Revenue
100 Cambridge Street
Boston, MA 02204
or call (800) 392-6089 (toll-free).



There's also a sales tax exemption on the cost of solar and wind energy systems, heat pump systems -- and wood stoves in excess of \$900. If you bought such a system on or after April 13, 1978, you are exempt from the sales tax. If you've paid it, you can get it back!

Write for **Form 12-A:**
Massachusetts Excise Tax Bureau
P. O. Box 7012
Boston, MA 02204
or call (617) 727-4620, -4621, or -4622.

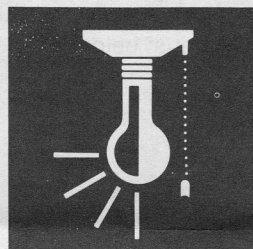
Federal Tax Credit. The federal credit for solar and other renewable energy improvements is 40% of the first \$10,000 invested. The credit for conservation improvements is 15% of the first \$2,000.



IRS Form 5695, Energy Credits, must be filed for the credit. **Publication 903, Energy Credits for Individuals**, explains how to do it. Get both by writing to: IRS, JFK Building,

Government Center, Boston, MA 02203 or to one of the nine IRS district offices in Massachusetts. In the greater Boston area, you can call 357-1040. Outside of the Boston area, call (800) 892-0288 (toll-free).

Note: If you made a renewable energy or conservation improvement in 1978 or 1979, and didn't get a credit then, there's still time to amend your tax return. Inquire with the IRS office about using a **Form 1040-X** to get the credit retroactively. (Part of these credits can also be "carried forward" into the next year.)



Solar/Conservation Bank. If you plan to make improvements in 1981, you may find a new loan subsidy program even more advantageous than federal tax credits. (You can't use

both -- choose the one that saves more money.) Congress has passed legislation introduced by Senator Tsongas to create a **Solar Energy and Energy Conservation Bank**, which will subsidize loans through local lending institutions. The federal subsidy will make the monthly cost of your loan less than what you save every month on energy!

The program begins in 1981. For information, write:

National Solar Heating and
Cooling Information Center
P.O. Box 1607
Rockville, MD 20850
or call (800) 532-2929 (toll-free).

Taking Care of Business

It's good business to anticipate that energy prices will keep rising and supplies may be disrupted. It's better business to take actions now that will protect your store, factory or office in the future. As an owner or employee, a salesperson or shopper, you should work to protect Massachusetts' private enterprise.

The methods include conservation, resource recovery, mass transit, and urban industrialization. Here are some ways that Massachusetts businesses are protecting themselves:

The Weymouth Art Leather Co. is tied in to energy from the Braintree Resource Recovery Plant, which handles 250 tons of trash per day and sells about \$300,000 worth of steam per year. Unless Braintree runs out of trash, the business has a guaranteed energy supply. (The plant is also working on a way to use the trash residue to make pig iron and insulation pellets!)

Friendly's Ice Cream Corporation of Wilbraham also gets energy by recycling trash. What makes Friendly's a national leader is its outstanding program to save energy -- which includes heavy insulation, an employee awareness program, and energy use monitoring at each shop. These steps enable Friendly's to use energy at half the national average for small fast food businesses.

Gray Line, Copley Rainbow Tours, and Hub Bus Lines offer shuttle bus service connecting sites along Boston's "Freedom Trail." The buses run from April to November. These private ventures make sense (and money) and save energy. But the tourist industry -- which is 80% dependent on car travel -- must work with government to do more. The industry needs better public transportation to tourist attractions. It also needs to promote package tours and public transportation generally.

Business investment in cities is reviving, and part of the reason is energy. Cities provide linkage of mass transit and shipping. They can meet long-term needs for space, energy, labor, services, and transportation. Recent developments include:

- The commitment of **Northampton's financial community** of \$1 million to a loan pool to finance downtown projects. The Tsongas economic development staff helped get the consortium started, and is working on similar efforts throughout the Commonwealth.

- The **Healthco** distributing facility and the **Digital Equipment** plant in Roxbury's Crosstown Industrial Park.

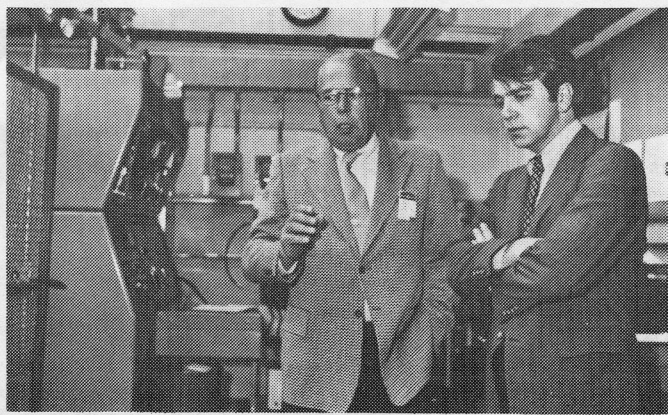
- The **Malden Mills** expansion in Lawrence, financed by a \$4.1 million Urban Development Action Grant (UDAG). The grant paid for energy retrofitting and new equipment. As it is repaid, the money will then be used for conservation improvements in neighborhoods.

Business and government must work as partners to build a profitable, secure future.

TO RECEIVE FUTURE ISSUES

If this newsletter didn't come to you personally through the mail, you should have your name added to the mailing list for future issues. Send you name and complete mailing address *including zip code* - and the name and full address of relatives and friends who did not receive this issue - to the Washington office address just below:

UNITED STATES SENATE
342 Russell Senate Office Bldg.
Washington, D.C. 20510



Tsongas at G.E. Dr. Robert C. Osthoff briefs Sen. Tsongas at G.E.'s High Voltage Laboratory in Pittsfield. This major facility mixes new buildings with others dating back to 1890. To control the plant's fuel costs -- which increased by 37% last year -- G.E. has begun a comprehensive energy management program. It includes over 14 miles of pipe refitting, program heat and light control, building insulation, window replacement, process changes, and over 1 million square feet of reroofing.

Utilities:

The Energy Future Is Now

Utility companies owe it to the public -- and to themselves -- to speed the way to safe, renewable resources. These represent our energy future, and utilities must help tell the public that many solar applications and other renewables -- plus conservation techniques -- are available now. But first, utility companies themselves must get the message.

National leadership on conservation, solar energy, wind power, and other options is concentrated elsewhere -- in the Tennessee Valley and on the West Coast. For example, Pacific Gas and Electric in California is offering no-interest conservation loans to 1 million customers over the next 10 years.

In Massachusetts, there are some positive initiatives:

- **Hingham's municipal utility** has cut electric demand by informing customers about energy efficiency, and discouraging peak-time use.

- **New England Electric** has a creative financing arrangement for low-head hydroelectricity in Lawrence. It's also starting a major loan management program.

Massachusetts utilities should start projects with renewables such as low-head hydroelectricity, wood, and trash. They should demonstrate new technologies -- fuel cells, wind machines, and photovoltaics.

Utility companies also should work with industry to maximize energy conservation and energy from local resources. They need to install cogeneration equipment and time-of-day meters.

Utilities must work with local governments to convert substantial amounts of our urban solid waste to energy. Switzerland converts 40%; Denmark converts 60%; the United States, 1%.

Overall, Massachusetts utilities can do much more to speed safe, renewable energy sources. Right now there is more rhetoric than real commitment to conservation and renewables.

Rene C. Tsongas
U.S.S.

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