

Testimony of Lisa Jacobson, President, Business Council for Sustainable Energy
Prepared for the Senate Subcommittee on Energy and Water Development
Regarding Fiscal Year 2019 Appropriations for the Department of Energy
March 30, 2018

The Business Council for Sustainable Energy (BCSE) wishes to express our appreciation for the steps Congress has taken to enact the Bipartisan Budget Act of 2018 and the Fiscal Year 2018 Omnibus Appropriations Bill. The Bipartisan Budget Act included important measures that have been long-supported by the Council and our members, including an increase in the budget caps for domestic programs for both Fiscal Year 2018 and Fiscal Year 2019, and the extension of a number of clean energy tax measures. The Fiscal Year 2018 Omnibus Appropriations Bill continues to fund important clean energy programs at the Department of Energy and to invest in energy research development and deployment that will help to sustain growth in clean energy markets.

As Congress continues its work on Fiscal Year 2019 budget and tax issues in the coming months the Council encourages you to maintain the positive momentum that has been achieved.

Specifically, the Council encourages Congress to support critical clean energy programs in the Department of Energy (DOE) Offices of Energy Efficiency and Renewable Energy (EERE), Fossil Energy (FE), Electricity Delivery and Energy Reliability (EDER), Advanced Research Projects Agency-Energy (ARPA-E) and other essential DOE offices and programs. These programs continue to provide value to American consumers and business.

BCSE is a coalition of companies and trade associations from the energy efficiency, natural gas and renewable energy sectors. It includes independent electric power producers, investor-owned utilities, public power, manufacturers, commercial end users and service providers in energy and environmental markets. Founded in 1992, the coalition's diverse business membership is united around the continued revitalization of the economy and the creation of a secure and reliable energy future in America.

Council members and partners are expected to submit testimony to the Energy and Water Development Subcommittee regarding levels of program funding affecting their industries and the Council supports those requests. Those requests should include: the American Gas Association (AGA), the American Wind Energy Association (AWEA), the Gas Technology Institute (GTI), the Alliance to Save Energy (ASE), the Solar Energy Industries Association (SEIA), the National Hydropower Association (NHA), the Energy Storage Association (ESA), the Fuel Cell and Hydrogen Energy Association (FCHEA), the Combined Heat and Power Association (CHPA) and Citizens for Responsible Energy Solutions (CRES), as well as BCSE partners, including the National Association of State Energy Officials (NASEO), the Alliance for Industrial Efficiency, the Clean Energy Business Network (CEBM), and the recommendations from the Energy Efficiency Community.

We are gravely concerned that significant cuts to, or the elimination of, key clean energy programs at DOE – and across the federal government – could undermine job creation and the goal to modernize the country's aging energy infrastructure. Therefore, as Congress moves forward with appropriations legislation for Year 2019, we request that you consider the value these programs provide to the reliability and security of the nation's energy system and to American consumers.

Renewable energy, energy efficiency and natural gas deliver more jobs, increased economic growth, greater energy productivity and fewer emissions for the United States. Statistics from the 2018 edition of the *Sustainable Energy in America Factbook* recently released by BCSE and Bloomberg New Energy Finance document these trends:

- Consumers devoted a smaller share of their spending in 2017 towards electricity than at any time ever recorded, and the total share of household expenses dedicated to energy costs also hovered near an all-time low;
- Electricity off-takers secured renewable energy at ever cheaper price points;
- Renewable energy generation now accounts for 18 percent of U.S. electricity generation, nearly on par with the nation's nuclear fleet;
- Natural gas accounts for another 32 percent of electricity generation, making it the number one source of U.S. electric power;
- American economic growth is picking up steam without a parallel jump in energy consumption, and the United States remains competitive globally for energy-intensive industries thanks to low industrial power prices;
- The renewable energy, energy efficiency and natural gas sectors employed approximately 3 million Americans in 2016;
- A new tool from the Clean Energy Business Network, BCSE's partner organization of 3,000 business leaders from small to medium-sized companies across the U.S., illustrates the "Faces Behind the Facts" and tells the story of how companies have benefitted from federal programs to launch their business ventures and provide solutions that work for American consumers and taxpayers.

This market dynamism and success is the result of a long-time bipartisan consensus of DOE's world class research, both pure and applied, successfully linked with industry. Public-private partnerships reduce investment risks and can enable industry to tackle tough challenges that individual companies will not address by themselves. A prime example of a successful public-private partnership that truly benefitted U.S. taxpayers is the funding from DOE and industry for technology development and solutions that brought about the shale gas revolution.

In addition, DOE can provide a neutral platform to analyze policy options for deploying new energy technologies and their potential impacts on the grid. DOE can help streamline the processes of permitting, inspection, and interconnection of new energy technologies. DOE works to address market barriers to the adoption of new technologies that are market ready – such as a lack of reliable information, inconsistent regulatory environments, and workforce training gaps – through activities that include providing best practice information, stakeholder outreach, sustaining and enhancing the workforce and providing reliable, objective data. Just a few months ago, for example, DOE responded to the electrical supply crisis in the aftermath of Hurricane Maria with assessments of needs and of grid improvement. The private sector simply cannot undertake such efforts but relies on the information that DOE assembles to address these challenges.

Continued investment in energy research development and deployment is needed to increase the efficiency of our energy generation and use, and to spur new innovations. The Council wishes to work with members of the Appropriations Committee to maximize the value of limited federal dollars and we request the opportunity to meet with your staff to further discuss the Council's position and support for DOE programs.