

Ranking Member John Shimkus
Subcommittee hearing
“Building a 100 Percent Clean Economy:
Opportunities for an Equitable, Low-Carbon Recovery”
September 16, 2020

For any community to be prosperous and healthy, it takes energy.

I think there’s no dispute on this Committee that promoting economic recovery, growing an economy, building and spreading prosperity—themes of today’s hearing— requires that energy be both affordable and reliable.

The American people overwhelmingly agree. [Recent polling found](#) Americans prioritize affordability and reliability over emissions reductions. The same poll found 50 percent of people “could not afford an electricity bill increase of \$15 or less – including 25 percent who said they could not afford an increase of any amount.”

Higher energy costs also disproportionately hurt the poor more than the rich because low-income families spend a higher percentage of their income on those bills. The burden of higher energy costs is even more acute in communities of color. A [study by the American Council for an Energy-Efficient Economy](#) found that, on average, Black, Hispanic, and Native American households spend a much larger portion of their income on energy bills than White non-Hispanic households.

It’s our responsibility as policymakers to closely examine the costs, effectiveness, and other impacts of environmental policies that affect energy. Failure to do this, especially when addressing climate change, risks harm to public health and hurts most those who can afford it least.

Let’s not lose sight of that today as we consider a “low-carbon recovery” that aims to benefit all Americans. This is a laudable goal. But I think we should look very carefully and cautiously at any measures that rush towards a national energy transition that results in new insecurities and other problems.

[On August 14th and 15th last month,](#) for the first time since its energy crisis in 2001, California’s grid operator had to institute rolling blackouts for some 2 million people.

This was because the state’s supply of electricity [could not meet demand during the later hours of the day](#). This is when the sun sets and the state’s estimated 12 gigawatts of utility scale solar no longer provides power to the grid, and so the grid operator has to draw upon other power sources, if they are available.

The [immediate cause](#) of the crisis was the unexpected drop off in wind energy and loss of a power plant, coupled with limited electricity available for import as a heat wave hit other Western states.

But the chronic cause of the crisis is California's increasing reliance on wind and solar, driven by the state's mandate that 60 percent of its electricity must come from renewables by 2030, [up from about 36 percent today](#).

This rush to green in California is driving out baseload generation, including clean nuclear generation, and locking in a system that its own authorities warn is more vulnerable to supply disruptions and that charges among the highest electricity rates in the nation.

Tellingly, the Diablo Canyon nuclear power plant, which represents 20 percent of the state's carbon free energy and a thousand high-paying jobs, is scheduled to begin shutting down in four years. The state's overcapacity of solar and wind forced regulators to curtail Diablo's output, making it uneconomical, even though nuclear offers equally clean, but far more reliable power than wind and solar.

I don't think we want to impose California's "Green New Normal" on the rest of the nation. But what else are we failing to consider as we look at clean economy policies, especially policies that drive towards a mandatory reliance on renewables and electrification?

One witness today, Dr. Michelle Michot (Mee-show) Foss from Rice University's Baker Institute, will offer some important considerations that will help us understand more fully where these clean economy policies that depend on renewables and electrification are going.

She will speak to the energy and economic security risks we face concerning materials that will be needed for building out complex "green" energy systems. These include the critical minerals and raw materials for batteries and the components for wind and solar, as well as the other systems and machines that make up our nation's energy and transportation infrastructure.

A growing dependence on critical minerals in these new energy systems raises serious supply chain, national security, economic security, and environmental issues that have not received the attention they deserve.

After fifty years of national energy policies that sought to protect America's energy security, it would be a shame to reverse all the gains we have made because we didn't confront the hard questions that proposed energy transitions raise.

We can begin asking those questions this morning.

Thank you, Mr. Chairman, I look forward to an informative hearing.