



United States Senate Committee on
Energy & Natural Resources

Chairman Jeff Bingaman

Democrat - New Mexico

HEARING STATEMENT

Feb. 10, 2009

Renewable Electricity Standard

"During the past four Congresses we have passed a requirement that utilities provide a specified percentage of their electricity from renewable resources again and again. In the 107th, 108th and 109th we passed it in the Senate but the House would not accept it. In the 110th the House passed it but we couldn't get a vote in the Senate. I think that it is time that we finally pass this provision in both houses and get it to the President, for whom it is one of the highest priorities.

"The provision that the hearing is on today is a majority staff draft. It is similar as to its mechanics to the provisions that we have passed before, with some major differences. First, the requirement is raised from 15 percent by 2020 to 20 percent by 2021. Second, the resources that can be used to comply have been expanded. Up to one-quarter of the requirement can come from energy efficiency. We also have included new hydropower at existing dams that currently do not have generation.

"The reasons to pass such a provision are as compelling as ever, if not more so. A renewable standard can reduce our dependence on fossil fuel sources, reducing emissions of greenhouse gases and other pollutants. Another effect of this reduction is to cause a reduction in the prices of the fossil fuels displaced. Such a standard diversifies our resource base, lessening the effect of supply disruptions or shortages, creating greater economic stability. It reduces our dependence on foreign sources of energy, creating greater energy security. This standard would also spur the development of a national green energy economy, creating hundreds of thousands of jobs, many in rural areas.

"Over the years we have seen many economic analyses of renewable standards. All of them that are done by independent analysts conclude that the cost of implementing this standard range from negligible to positive, with many showing significant reductions in the overall cost of energy to Americans.

"When you add the fact that we are going to do something to put a price on carbon emissions, probably through a cap-and-trade system, you have to know that the cost of whatever we do to reduce carbon emissions will be greatly reduced by a significant spur to the renewable generation of electricity such as the RES.

"I think that the votes are present in the Senate to pass a renewable electricity standard. I think that they are present in the House. I think that we need to get on with figuring out what we can pass and move forward.

"I intend to work closely with Ms. Murkowski and the other members of the Committee on that task. The witnesses are here today to help us begin that process. I look forward to hearing their testimony."