



May 22, 2019

The Honorable Frank Pallone, Jr., Chairman
The Honorable Greg Walden, Ranking Member
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

Chairman Pallone and Ranking Member Walden:

On behalf of its members, the American Wind Energy Association (AWEA) submits this letter for the record for the Full Committee hearing entitled “LIFT America: Modernizing our Infrastructure for the Future.” AWEA is a national trade association comprised of about 1,000 member companies representing a broad range of entities with a common interest in encouraging the expansion and facilitation of wind energy production in the United States. AWEA members include wind turbine manufacturers, component suppliers, project developers, project owners and operators, financiers, researchers, renewable energy supporters, utilities, marketers, customers, and their advocates.

AWEA would like to commend you and your colleagues for holding a hearing on H.R. 2741, the LIFT America Act, which if enacted would make a significant improvement to the nation’s energy infrastructure. The legislation touches on every aspect of our nation’s energy infrastructure, from the electrical grid, to buildings, and to electric vehicle charging to help transform our transportation system. AWEA and its members support the legislation. As the committee process moves forward, we strongly recommend adding additional provisions to address the many issues facing the transmission grid so that consumers of all types can benefit from cheaper and more reliable electricity.

The ability to get electrons from where they are generated to where they are consumed is essential to virtually everything Americans do. Yet, our electricity grid needs sustained attention and investment in order to provide reliable, affordable service to families and businesses. Consumers currently pay approximately \$6 billion in annual transmission congestion costs.¹ Transmission expansion is especially critical to facilitate the electrification of our economy- transportation, building and water heating, etc. Just as other sectors of our national infrastructure have evolved to more cheaply and efficiently transport goods and services, so too must our national electric infrastructure be revitalized to support our increasingly plugged-in

¹ Available at <https://watttransmission.files.wordpress.com/2018/03/watt-living-grid-white-paper.pdf>



economy, reduce blackouts, enhance reliability, reduce congestion, and save consumers money.

Transmission provides dozens of quantifiable economic, reliability, and security benefits for consumers. For example, transmission facilitates access to lower-cost electricity generation, reduces the need to build additional generation to hold in reserve, facilitates robust electricity markets, provides economic development and jobs, and helps generators and utilities comply with public policy requirements, among other benefits. No matter your end goal—driving down electricity costs, improving resiliency and reliability, reducing carbon emissions, or making the U.S. more secure and economically competitive—modernizing the grid and expanding transmission is a common denominator. This is a no-regrets down payment for future energy policies and future economic growth.

While transmission does have an upfront cost, transmission more than pays for itself several times over through economic and reliability benefits. For example, the Southwest Power Pool found transmission upgrades installed between 2012 and 2014 created over \$16 billion in gross savings, more than 3.5 times the cost of the transmission upgrades. Likewise, the Midcontinent Independent System Operator found recent transmission investments will provide \$12-\$43 billion in net benefits over the coming decades. Multiple reports by the Brattle Group have found a likely annual investment range of \$12 billion to \$16 billion in transmission through 2030 would stimulate \$30 billion to \$40 billion in economic activity and support 150,000 to 200,000 full-time jobs per year.²

AWEA is supportive of your efforts to address many of the issues facing our nation's energy infrastructure, but we would appreciate the chance to further discuss ways the LIFT America Act can further address the transmission issues facing our nation. If there are any questions about the statements made herein, please do not hesitate to contact Aaron Severn on our Federal Affairs team at asevern@awea.org or (202) 383-2507.

Sincerely,

Thomas C. Kiernan
CEO

²http://files.brattle.com/files/8209_employment_and_economic_benefits_of_transmission_infrastructure_investmt_pfeifenberger_hou_may_2011_wires.pdf