



March 2, 2012

Statement in Support of the Clean Energy Standard Act

Third Way has long supported a clean energy standard as a way to help get America moving on clean energy. This will enable the United States to compete in the \$2.3 trillion global clean energy market, reduce pollution, and accelerate innovation. Chairman Bingaman's Clean Energy Standard Act of 2012 is a very important step in that direction. The bill is technology-neutral, giving utilities a variety of options in how they choose to comply. It also provides businesses with the certainty they need to invest in clean energy.

The Clean Energy Standard Act embraces a truly all-of-the-above strategy that empowers utilities and states to choose the best strategy for them to move to clean energy. This includes not only critical renewable energy sources like on- and off-shore wind, concentrated solar, solar photovoltaic, and hydropower, but also combined heat and power, natural gas, and nuclear energy.

This technology-neutral approach will minimize the cost of reducing pollution and allow different regions to harness the resources that are most economical for them to accomplish a national goal. The fact that 37 states now have goals or requirements for increased generation of clean energy shows there is strong support for the concept of a CES. Yet the diversity of these state requirements shows the importance of giving utilities as many tools as possible to meet that standard. As the debate on a CES continues, Third Way would advocate for greater inclusion of efficiency measures as an additional tool that can be used to meet the standard.

Chairman Bingaman's proposal also provides industry with the certainty it needs to make long-term investment decisions. New electricity generation is expensive, with costs often reaching into the billions of dollars for a single plant. These facilities can take years to build and can be operated for decades. To make such large investments with long-term payoffs, utilities need certainty as to what the government will require of them and the confidence that the rules of the game won't be changed.

In today's global economy, the developed countries that succeed have modern infrastructure, innovative industries, and reduced pollution. Even China has a plan in place to increase its use of clean energy. The United States cannot compete if we do not set high standards for our private sector to reach so that we can remain the world's leading economic power. While we are confident that the Chairman will refine and improve it, Clean Energy Standard Act will move us in the right direction.

