



Opening Statement
Hearing on Renewable Energy and Energy Efficiency
Chairman Lisa Murkowski
May 21, 2019

We're coming to order as we begin our hearing to examine opportunities to advance renewable energy and energy efficiency efforts here in this country.

I want to start by acknowledging the very significant progress we have seen in renewable energy in recent years. We have seen the costs of many technologies – whether it's solar, whether it's wind, or something else – decline considerably. Many renewables are now cost competitive without subsidies in certain parts of the country, and that's leading to greater investment. In 2018, U.S. corporations broke previous records by signing contracts for 8.6 gigawatts of wind and solar production.

We have also made great progress on energy efficiency—this is also another good story, but unfortunately isn't told near often enough. According to the American Council for an Energy-Efficient Economy, energy efficiency has helped reduce energy use by about 50 percent relative to what it would have been, had 1980 patterns continued. These reductions are saving Americans \$2,500 per year. That makes a difference for our families. We are making progress – but I think we know that we've got plenty of areas that we can continue to improve and increase efficiency.

Some of the most impressive work, and I'm going to totally brag on my state here and the innovation and the pioneering that we are seeing coming out of the state. Particularly at the Cold Climate Housing Research Center. For example, the Center is designing and building homes that use 80 percent less energy than comparable homes that are being built without their assistance. So think about what that means in a cold place, often times pretty dark, to recognize those kinds of energy efficiencies. And then, when you compound that with the extraordinarily high cost of heating and just power generation in the state of Alaska, we are really making a difference to families and communities.

So I'm pleased to be able to welcome back the Center's Chief Programs Officer, Mr. Bruno Grunau. Bruno is going to tell us more about the good work they're doing in the Arctic and rural Alaska. And we're also joined by:

- Mr. Daniel Simmons, the Assistant Secretary of Energy for the Office of Energy Efficiency and Renewable Energy;
- Dr. Martin Keller, Director of the National Renewable Energy Laboratory;
- Mr. Dan Conant, Founder and President of Solar Holler; and
- Dr. Jason Hartke, President of the Alliance to Save Energy.

Thank you all for being here today ready to talk about the work and the important that you're doing as it relates to increasing efficiency and deploying cleaner technologies.

So I'm going to provide committee members just another little, some of the little highlights that make a difference in a state like ours, where again the costs are so high.

The community of Yakutat in southeast, north southeast, Alaska; About 600 people, I think that's a bit low, fishing community, no access by road. In 2013 they decided, we've got to get control of our costs, because the cost of food in the grocery store was so high because of what it cost them just to keep the lights on at the store and keep the freezer frozen. So they pieced together federal and state funding and invested over \$600,000 in efficiency upgrades at the local school, at the courthouse, and city office. At the elementary school alone, they invested nearly \$200,000 to upgrade all of their lighting to LEDs. And what they're looking at in savings for that little community is about \$70,000 per year – buys them another teacher. It buys them a teacher and an aide, so in that community it is a huge difference.

I also tell the story very often of a beautiful little fishing community called Pelican in southeastern Alaska. Again pretty small, used to be about 100 year-round residents. But what was happening in Pelican, even though it was a fishing community the fishermen were just bypassing Pelican because the ice that they would take to keep their fish cool and fresh, the ice cost too much money, because their power generation was from diesel and so you have to put the diesel in the boat, get it down there, and you can't even afford to have ice. Well if you don't have ice you don't have a fishing community.

So what they then did, small hydropower from Pelican Creek that had made that possible since the 1940s, they looked to address the reality of that small hydro so they invested in a new penstock, turbines, and a modern powerhouse. That allowed a local family to start a commercial fish buying and processing business five years ago with five employees. This summer, that little processing company has 24 people, keep in mind this is a community of 100 so a quarter of the people working there. And they have signed a 25-year lease on an old crab plant with plans to expand and grow further. They anticipate shipping out a million dollars' worth of fish this summer. And all of that is made possible because they had clean, renewable hydropower, and continued investment in making that resource even more abundant and more affordable.

So when we talk about the small, incremental innovation, and again small hydro which many would say is not that innovative, but it can transform communities, it can make them sustainable, it can allow people to live and work where they want to.

So those are just a couple stories from my home town. I would venture to say that in every one of yours you have small examples where you're putting families to work and allowing them to be more sustainable. Our challenge, here, is to ensure that the costs of new technologies continue to decline – and to make sure that upfront costs don't stall out needed or lack that beneficial investment.

We've got great experts here today, I'm looking forward to hearing your thoughts on what we can be doing to move to the next level.

Senator Manchin?

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