

U.S. House of Representatives  
Select Committee on  
Energy Independence and Global Warming

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**F. James Sensenbrenner, Jr., Ranking Republican**

**News Advisory**

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## Rigid Renewable Standards Don't Take Regional Results Into Account

### *Sensenbrenner: Regulations Will Drive Up Electric Rates*

*Washington, D.C., Sept. 20, 2007* – U.S. Rep. Jim Sensenbrenner, R-Wis., ranking Republican on the House Select Committee on Energy Independence and Global Warming, made the following statement during today's hearing titled, "Renewable Electricity Standards: Lighting the Way:"

"It shouldn't surprise you to know that I support the development of renewable energy, including wind, solar, biomass and hydroelectric power.

"Week after week, the Republicans on this panel have said that technology provides the only real path to a global warming solution. We can't stop using energy, but we can develop ways to create energy without releasing carbon dioxide.

"It may also not surprise you to know that I voted against government regulations requiring power companies to include renewable energy as one of its sources.

"So how can I say I'm for renewable energy, and then vote against requiring it?

"Because I firmly believe that if we are to find realistic global warming solutions, Congress should encourage technological competition, but must not pick who wins and loses.

"By requiring electric utilities to generate a portion of their energy through renewable sources, the government is picking the winners, and in these cases, the winners will be certain types of renewable sources.

"The problem with a renewable portfolio standard is that it emphasizes the means, and not the ends. After all, the goal is to reduce greenhouse gas emissions. And in July, the House passed legislation that requires utilities to use renewable sources to produce 15 percent of its electricity.

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“I’m skeptical of most regulation, but this one is particularly onerous because it discounts the progress some electric utilities have made, and only because they used methods not favored by certain congressional leaders.

“One utility that would fall prey to this terrible idea is the Southern Company, and I’m happy to welcome Mr. Chris Hobson, the company’s senior vice president for research and environmental affairs.

“Should this bad policy ever become law, utilities that are able to meet the renewable standards would presumably produce 15 percent of its electricity without producing any carbon dioxide. That would be progress.

“But not for the Southern Company. As Mr. Hobson will testify, 18 percent of the electricity generated by the Southern Company today emits no carbon dioxide whatsoever. So Southern Company has nothing to worry about with these regulations, right?

“Unfortunately, Southern Company has big worries, and so should all of its rate payers. With 15 percent of its electricity generated by nuclear power, and another 3 percent from hydropower, Southern Company has already met the emission cuts these proposed regulations seek to create. But because the utility doesn’t employ the use of wind turbines and solar panels, it will be forced to pay government fees for its failure to comply. It will likely cost the company \$1 billion a year; a cost that will be seen in every rate payer’s monthly statement.

“Like all smart energy utilities, Southern Company is researching its renewable energy options, but the areas in the South it serves aren’t conducive to many forms of renewable energy. The South simply has too many clouds and not enough wind and if these regulations come to pass, Southerners will literally pay the price for their geographic location.

“Congress should be promoting technological solutions to global warming, not picking which technology is its favorite. That isn’t the path to a solution; it’s only the path to higher electricity bills.

“Additionally, I’d like to welcome Governor Ritter to the committee. The governor is here to talk about Colorado’s ‘new energy economy’ and its goals of a 20 percent renewable standard. A recent report commissioned by the state legislature shows that Colorado does have an energy economy that produces 70,000 jobs, \$640 million in tax revenue and adds \$22.9 billion to the state’s economy. Of course, that energy economy comes from the oil and gas sector, and I suspect renewable energy has far less impact on the state.

“I will be curious to hear how Governor Ritter plans to nurture a ‘new energy economy’ without slowing an oil and gas sector that appears to be a foundation to the state’s economy.”

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