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Testimony on Senate Bill 624
Senate Business and Commerce Committee
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Mr. Chairman, Members of the Committee.

I am Jeff Clark, President of the Advanced Power Alliance, representing energy investors and developers, many of whom are building wind energy, solar power, energy storage, hydrogen, and other energy projects in Texas and around the country.

Members, make no mistake. This is an anti-renewable energy bill. It's not designed to address concerns about development in sensitive areas. Senate Bill 624 is designed to stop renewable energy development... Everywhere in Texas.

If it was intended to focus on preserving habitat and sensitive areas, it would apply to all activity, including the most dangerous, most polluting, and most disruptive forms of development. Instead, it only applies to the most affordable, cleanest, and safest forms of electric power generation.

Proponents make interesting, yet deceptive, arguments:

They say that decommissioning of wind and solar projects is a concern. It is not.

Decommissioning of every other type of energy production in the state may be, but not wind and solar. We have enacted stringent legal requirements, which we worked with you to codify in statute: Utilities Code Chapters 301 and 302. The proponents of this bill were unaware of these, and when I suggested that they make all industries abide by same rules, they – of course – declined. Is regulation your goal? Rather than attacking the good actors with strict rules already in place, ask every other power plant or energy producer to meet the same standard we set for ourselves and worked with you to place in statute.

They report that 85,000 MW of solar power are about to be built taking up to 860,000 acres of land. They ignore that only a small portion of those projects will be built because there is not demand or capacity to justify them, but they know the number sounds shocking, so they lead

their attack with that inflammatory point. They also ignore that Texas is 168,200,000 acres. Even if they were right – and they are not – their most insane, most exaggerated number contemplates that just one-half of one percent (½ of 1%) of Texas land would be temporarily used to replace the bulk of our state’s entire power generation fleet with solar.¹ We would never replace our entire fleet, and they know that. But it sounds ominous, so they share that number with you.

If you feel like Texans need more regulation and more government in our lives, we support technology-agnostic, even-handed regulation that treats all industries fairly and by similar rules for the same goals. Regulate against those behaviors of which you disapprove. Want to address light? Let’s regulate lighting and light pollution for every industry. Want to regulate noise? Let’s do that – for every form of energy. Emissions into our air and water? That’s our strong suit. Regulate, if that’s what you want, but do it fairly, and don’t pass bills like SB624 that are designed to stop one form of energy from competing in this market.

Landowners across Texas need to pay attention. Make no mistake. This is an anti-property rights bill. This bill takes value from a person’s property by allowing neighbors – 25 miles away – to have a say in what you do on your land. An anti-renewables activist told me, “This is bad policy, but good politics.” I don’t think it’s good politics to bash renewable energy, I think it’s uninformed and backward facing. I also don’t think it’s good politics to attack private property rights because I know that if they come for renewables today, they will come for you next.

Oil and gas producers, they’re looking at your activity. Agricultural producers, farmers, and ranchers, they’re looking at you. Manufacturers, you’re next in line. Every activity is vulnerable when private property is no longer sacred. This is Texas, and private property rights should still matter, especially for the farmer or rancher who wants to diversify their income in wind or solar power to help them stay in agriculture during times of drought or low commodity prices.²

School districts need to pay attention. School districts count on the revenue from wind and solar projects to fund their schools and pay their debts. Many school districts have issued bonds relying on revenue they anticipated that renewable energy projects will deliver. That revenue is now at risk. We are often the largest contributor to the local tax base in the counties where we invest. Renewables fund the schools; we fund the local government; we help pay the debt. This bill retroactively requires permitting and may shut those projects down. I hope the Legislature

¹ There is (according to ERCOT’s Fact Sheet updated March 2023) 36,909 MW of wind built in Texas, providing 24% of our power on an annual basis. 14,813 MW of solar provides 11% of our capacity. 85,000 MW of solar would be 5.6x the current capacity for a total of roughly 100,000 MW of solar capacity. All-time peak demand in ERCOT was 80,038 MW on July 20, 2022. The numbers shared by proponents don’t make sense.

² Wind and solar projects create an incredible amount of benefits in rural communities. These include payments to landowners and tax revenue for local governments and public schools. These benefits have been calculated in a study conducted by IdeaSmiths titled “The Economic Impact of Renewable Energy and Energy Storage in Rural Texas” available here: https://www.ideasmiths.net/wp-content/uploads/2023/01/Economic-Impact-of-Renewable-Energy_JAN2023.pdf

will help and that the wealthy landowners hiding behind this bill are ready to step up to pay the taxes on their own land so that local school districts don't default when their revenue is taken away.

And let's not forget the many school districts with wind and solar projects in development, soon to bring in new revenue that many are already counting on. I hope you will make the telephone calls to inform them that their new revenue is cut off if this Legislature passes this onerous bill.³

Texas Consumers, if you think your summer power bill is too high, hang on because they're about to go higher if this bill passes. Every attack on renewable energy in this building is usually prefaced with the statement that, "We love the affordability of renewable energy." Renewables save consumers nearly \$1 billion every month.⁴ Consumers count on it, and affordable energy makes Texas attractive to other investments like manufacturing.

I hope that those corporate power customers are listening today. They are at risk. Nearly every wind and solar project built today in Texas is backed by a power purchase agreement with a corporate customer, including some of our state's leading manufacturers. They need to pay attention to this Legislature because those existing long-term, low-cost power contracts are placed at risk by SB624. Those contracts will be upended. And companies looking at Texas and contemplating investment here should listen, because Texas is turning its back on clean energy, on affordable energy, on advanced energy. If you need a contract to power manufacturing, carbon capture, hydrogen production, synthetic fuels, your data center, or your corporate operations. Look elsewhere, Texas clean energy is now at risk.

Understand that if this bill passes, you will hear from your landowners and constituents, from your schools, and from your local economic developers. Communities around the state will wake up and find that future investment in rural communities is at risk, and that the projects already built and paying taxes upon which landowners rely for extra income and school rely on for funding are at stake.

For over a decade I have had the same message: I believe that pitting energy resources against one another is dangerous policy, and harmful to the future energy economy of our states.⁵ I've advocated for leveraging the best attributes of each of our energy resources to deliver reliability, affordability, and emissions reduction. I've supported grid-powered hydraulic fracturing to reduce cost, increase production, and reduce emissions. I've called for renewables to support

³ The value of wind and solar projects to school districts and local governments is compiled in an interactive map that allows users to see the benefits by County, Congressional District, or State Legislative District., available here: <https://www.txrenewables.net/map>

⁴ https://www.ideasmiths.net/wp-content/uploads/2023/03/ERCOT_2022_RE_wholesalecosts_update_memo.pdf

⁵ My editorials and writings on this topic are available on my Medium channel, <https://georgeisjeff.medium.com>

powered carbon capture, hydrogen production, and LNG export. I've advocated for infrastructure to ensure that affordable energy of all types can be delivered to customers in need.

I believe we are stronger as a state and our energy economy is stronger when our energy industries work together. Global customers want and need our energy resources, including natural gas to displace production from hostile regimes like Russia, and they want that energy product delivered with the lowest possible carbon footprint. We envision renewables and traditional oil and gas converging and collaborating to deliver these resources, and we also see opportunity in new fields like synthetic fuels, carbon capture, hydrogen, and desalination.⁶

Attacking renewable energy is attacking the future of Texas, a future where all of our energy producers should be collaborating to meet the world's needs.

Members, my family has had the same small piece of land in San Patricio County for a century, 52 acres that they fought hard to keep, now bordered on three sides by a wind farm. We don't have a wind turbine on our land, we don't get paid for wind energy, but it's not and never has been my place to deny other struggling landowners and neighbors the opportunity to diversify their income if that's what they choose for their private property.

Today, that property is being farmed with cotton, and it's difficult to make a return at times. Last year was terrible, but we press on. Thankfully, San Patricio is a fast-growing county with major new industrial investment happening right down the road from our place. That may bring opportunity.

In the future, that little farm may become a subdivision to house workers from the steel mill, the refineries, or the chemical plants. It may become part of a solar farm to power an LNG export terminal or a hydrogen facility. It may become a shopping center, or a doctor's office, a church, or a school. Or it may be a park or a playground. It may even continue be a cotton farm.

When that day comes and that choice is made, it's not my neighbors right to tell me that I have to forfeit my opportunity because they don't want to look at a solar panel, or a doctor's office, or a shopping center, or a church, or a neighborhood. It's private property, it's my property, and it's my choice how to use it, or not.

Private property rights are sacrosanct in Texas. I ask you to support them, and I ask for your opposition to SB624.

⁶ See our recently released report showcasing the need for renewable energy availability if Texas wants to lead in hydrogen, carbon capture, and synthetic fuels production. The study, conducted by Boston Consulting Group (BCG) is available on our website here: <https://poweralliance.org/2023/03/15/report-renewable-energy-to-serve-as-backbone-for-emerging-energy-technologies-in-texas/>