

REP. GABRIELLE GIFFORDS



BUDGET COMMITTEE MEMBERS' DAY TESTIMONY MARCH 11, 2009

Thank you, Chairman Spratt and members of the Budget Committee for hearing from me today. I appreciate the opportunity to be here.

I know that this will be an exceptionally difficult budget cycle. Many Americans are feeling the negative effects of the current economic crisis and this is resulting in a flurry of activity as a wide variety of interests compete for federal resources.

I believe that this crisis has opened a door of opportunity.

In particular, I believe that by making critical investments in clean energy, especially solar energy, we can take a big step toward putting our nation back on a strong economic footing and a higher quality of life. Far from being a distraction from today's economic problems, solar and other renewables provide a means of addressing the economic crisis head on.

Indeed, even though renewable power sources currently account for just a small fraction of our overall electricity production, they accounted for over 50 percent of the additional electrical generating capacity that came online in 2008. With strong support in this budget, that number could be 100 percent by 2012.

But more than that, a robust solar industry is an economic engine that will help revive our struggling economy. Solar power creates jobs for electricians, construction workers, plumbers, line workers, roofers, engineers and high-paying manufacturing positions. With effective national policy, solar can create tens of thousands of jobs across the entire country and spur billions of dollars in economic growth and tax revenue.

Solar technologies are already being manufactured or installed in every corner of America, from Oregon to Florida, from the deserts of Arizona to the heartland of Ohio. Solar is good for our entire nation. Here are just a few examples:

- In Alamosa Colorado, Sun Edison recently built an 8.2 MW solar farm. In the process, they re-trained over 40 workers in the region, some of whom were recently laid off from the mining industry.
- Leading national businesses such as Wal-Mart, Costco, Kohls, Staples, Target, Macy's and others have all made significant commitments to installing solar energy on their own rooftops, alleviating electricity congestion in their neighborhoods.
- In the Arizona Desert, my state's largest utility, Arizona Public Service, has teamed up with Abengoa. They have plans to build one of the largest solar power plants in the world. When complete, it will be able to power 70,000 homes.
- On Nellis Air Force Base in Nevada, the Air Force has installed a 14 MW solar array. It is reducing their long-term

energy costs while increasing the energy security of the base. This last example illustrates one of my favorite issues: renewable energy adoption by our armed services. I am pleased that the military is taking the lead on many renewable energy technologies, and I believe that we need a budget that encourages them to do even more.

Action is happening at the local level, too.

- In my hometown of Tucson, George Villec, of the solar installation company GeoInnovation, reports that federal incentives have stimulated demand for alternative energy. As a result, they have hired 4 new full-time employees over the past year.
- Another Tucson solar installer, Kevin Koch with Technicians for Sustainability, tells the following story: "Last year at this time, we were employing eight people with a backlog of 6 to 8 weeks. We now employ 15 people, I need to hire 2-3 more, and our backlog has extended to 12 weeks. While the rest of the construction industry is in dire straits, we are growing as fast as we can find and train smart, sincere, and skilled members of our community. Best of all, we are installing more systems per week than ever before which is reducing our county's dependence on fossil fuels and the negative effects associated with them. In fact, now that the \$2,000 cap on the ITC has been lifted, more of our customers are choosing to produce 80 ó 100% of their power from solar.

According to the Solar Energy Industries Association (SEIA), solar installations in 2007 increased by more than 40 percent

over 2006. In the process, solar energy companies created 6,000 new jobs, 265 megawatts of generation capacity and pumped more than \$2 billion of investment in the U.S. economy. And we have just scratched the surface of the economic potential.

Solar technologies are rapidly becoming cost competitive with traditional sources of power. Most solar experts estimate that solar technologies will reach "grid parity" around 2012. But to get from here to there, solar must have our support today.

I urge you to develop a Fiscal Year 2010 budget that will continue to level the playing field for solar and other clean energy technologies.

During the presidential campaign, then-Senator Obama promised to invest \$15 billion per year over the next ten years in developing clean, renewable energy technologies. In his FY2010 budget proposal, President Obama has again called for investment in renewables.

I urge the committee to follow the President's lead and set aside significant funding for research and development, demonstration projects, loan guarantees and tax-free bonding authority for solar and other renewable projects.

In addition, I urge the committee to provide the means for the federal government to install 2000 megawatts of solar on federal buildings by the end of 2010.

Our nation faces grave challenges in the years ahead, but there are solutions. But those solutions will require us to embrace

bold, new ideas. Solar power's benefits are proven and real. I urge the committee to give solar its full support in developing the FY2010 budget.

Thank you for your attention.