

Testimony delivered before the

Pennsylvania House Environmental Resources and Energy Committee

In Support of HB 1467, Modernizing Pennsylvania's Renewable Energy Standards

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Good morning, Chair Vitali and members of the committee. Thank you for the opportunity to speak with you today.

My name is Jeff Mauk, and I am the Director of State Policy for the Eastern Region at Ceres. Ceres is a non-profit sustainability organization working with businesses in Pennsylvania and across the U.S. to pass policies, including clean energy and energy efficiency solutions, to achieve our collective climate goals. Ceres works with business leaders and investors to accelerate sustainable capital markets and reduce risks. We encourage individual and collective actions that help reduce pollution, protect water and natural resources, and build a just and inclusive economy where all can benefit.

We also organize the Business for Innovative Climate and Energy Policy (BICEP) Network, a coalition of more than 75 major employers committed to advocating for stronger climate and clean energy policies at the state and federal levels. Many BICEP companies have a significant footprint in Pennsylvania, including Danone, DSM, Eaton, General Mills, IKEA, Kellogg Company, L'Oréal, Mars, Microsoft, Nestlé, Siemens, and Unilever.

Businesses are supportive of policies that increase the accessibility and cost-effectiveness of clean energy. Enhancing access to clean energy can attract new investments, innovation, and jobs. Similarly, major investors consider the policy environment for clean energy and clean transportation when making fixed income and equity investment decisions.

The Alternative Energy Portfolio Standard (AEPS) and energy efficiency resource standard have accelerated clean energy uptake, encouraged utility investment in emissions reductions, and provided cost savings for ratepayers. States with ambitious clean energy standards have seen billions of dollars in economic and health benefits and attracted corporate investment as well. Unfortunately, with Pennsylvania's current AEPS goal topping out, that growth is slowing.

Ceres is supportive of the goal of achieving 30% clean energy by 2030 as proposed by House Bill 1467, as well as supporting additional policies that would create jobs and address pollution from electricity, transportation, buildings, and industry. Ceres supports a more ambitious AEPS

alongside participation in the Regional Greenhouse Gas Initiative, adoption of community solar, and incentives for energy efficiency and storage.

Pennsylvania's largest companies and employers want access to clean energy. Twenty seven of Pennsylvania's 40 largest employers have renewable energy or energy efficiency goalsⁱ. More than 90 companies with a presence in the Commonwealth have committed to being powered by 100% renewable energy.ⁱⁱ

Over 60% of Fortune 500 companies have set targets to address climate change by taking actions like reducing greenhouse gases and investing in energy efficiency and renewable energyⁱⁱⁱ. More than 370 companies, including many Fortune 500 companies, have committed to powering all their corporate operations with 100% renewable energy. Since 2014, Corporate America has procured 37% of the carbon-free electricity added to the U.S. grid, setting a record of 11.06 GW added in 2021.^{iv}

A growing number of companies in Pennsylvania and nationwide have set goals to reduce greenhouse gas emissions in their operations, procure energy from renewable sources, and increase energy efficiency in their facilities and supply chains. State policy action is essential to supporting these commitments and helping bring additional business and investors on board. Clean energy helps businesses save money, hedge against volatile fuel prices, and stay competitive.

Some examples of corporate clean energy investments in Pennsylvania include:

- Ikea built a 694 kW solar array at their Pittsburgh-area store in Robinson Township, PA.
- In 2018, Nestlé announced a 15-year power purchase agreement that will provide approximately 80% of the electricity load for five Nestlé facilities in southeastern Pennsylvania. This PPA has brought Nestlé one step closer to meeting their goal of net zero emissions by 2050.
- On July 13, PNC Bank announced a long-term renewable supply agreement with Constellation to power almost 50% of its legacy operations in Pennsylvania, Ohio, Maryland, New Jersey, Delaware, DC, and parts of Illinois with renewable energy. This was an important step for PNC towards meeting their goals of reaching 100% renewable purchased electricity by 2025 and reducing carbon emissions and energy use by 75% by 2035.

Establishing increased goals for clean energy production will help companies better manage risk, promote long-term profitability, safeguard the resilience of their supply chains, and allow them to better meet the growing demands of their customers and investors – who increasingly demand greater sustainability and climate action.

Expanding Pennsylvania's clean energy goals will help ensure the state's vibrant and robust clean energy economy continues to grow. States with robust clean energy standards create policy certainty, attracting early and long-term company investments consistent with meeting their production and workforce goals.

Strengthened clean energy goals would enable the Commonwealth to take advantage of unprecedented federal incentives provided by the Inflation Reduction Act, ensuring maximum benefits flow to Pennsylvania businesses and communities.

Governor Shapiro has also called for increasing Pennsylvania's clean energy goal to 30% by 2030. Now is the time to prioritize growing the clean energy economy. Passing legislation to codify the 30% by 2030 goal, as well as other clean energy priorities, will attract new investment, encourage innovation, save homeowners and businesses money on their energy bills, and ensure environmental benefits for all Pennsylvanians.

Thank you for your time and consideration.

ⁱ "Pennsylvania Top 50 Employers and Industries," Center for Workforce Innovation and Analysis.

<https://www.workstats.dli.pa.gov/Products/Top50/Pages/default.aspx>

ⁱⁱ "RE100," Climate Group. <https://www.there100.org/>

ⁱⁱⁱ "Power Forward 4.0: A Progress Report of the Fortune 500's Transition to a Net-Zero Economy," World Wildlife Fund. <https://www.worldwildlife.org/stories/fortune-500-companies-are-acting-on-the-climate-crisis-but-is-it-enough>

^{iv} "Corporate clean energy procurement on track for another record year after adding 11 GW in 2021," Utility Dive. May 2022. <https://www.utilitydive.com/news/corporate-clean-energy-procurement-ceba-report/623926/>