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**U.S. House of Representatives**  
**Committee on Natural Resources**  
**Washington, DC 20515**

**Opening Statement by**  
**The Honorable Tom McClintock**  
**Chairman**  
**House Water and Power Subcommittee**  
**Legislative Hearing on**  
**H.R. 1719 (McMorris Rodgers) and H.R. 2915 (McClintock)**  
**September 22, 2011 at 2:00 PM**

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The Water and Power Subcommittee convenes today to hear H.R. 1719 by Congresswoman McMorris-Rodgers, to provide consumers with transparent price information on the cost of ESA mandates, and my bill, H.R. 2915, to rescind a provision of the discredited stimulus bill that puts taxpayers on the hook for loans to wind and solar transmission developers administered by the Western Area Power Administration.

For the past decade, the federal government has taken extraordinary steps to force wind and solar electricity on American consumers, while spending untold hundreds of billions of dollars of direct subsidies and loan schemes (note: Solyndra was a loan guarantee; the WAPA borrowing authority is an actual loan) to hide from consumers the actual price of these sources, and to put taxpayer money in jeopardy when investors recoil at the risk.

As we will hear, the unsubsidized cost of solar and wind power makes them the most expensive forms of electricity generation yet to be invented. Solar photovoltaic, for example, costs \$396 per megawatt hour compared to combined cycle gas-fired generation at \$83.

That's just the beginning of the expense. Electricity systems are integrated, meaning that the amount of power being put onto the grid must constantly match the amount being drawn from the grid, or the grid collapses. Solar and wind are intermittent and unpredictable – at a moment's notice a passing cloud bank or a sudden calm can drop generation to zero. This means that consumers must pay for back-up generation of equal amount to be kept constantly ready to fill the gap.

As we will hear, ironically this often means more carbon emissions are produced because of wind and solar mandates. And we pay twice: once for the enormous capital expense of these systems and a second time for the back-up power that we also must build, maintain and operate.

Then we get to the next problem: transmission. Unlike conventional power, solar and wind arrays are usually placed in the most remote regions of the country, requiring construction of transmission lines over vast distances. Worse, because of the low output of wind and solar, the

transmission lines must be special high-tension lines that are much more expensive than normal transmission lines.

Put all this together and one wonders, who in his right mind would invest in such a ridiculous arrangement? The answer is, nobody in his right mind would risk their own money to do so. But there have been members of Congress more than willing to risk their constituents' money, and those pigeons are now coming home to roost.

We're told that we're creating jobs with this money. I suppose you could say that Solyndra created jobs while their management was raking in government guaranteed loans. What we found out is that jobs that are not economically viable DO NOT LAST. And these temporary jobs come at a steep price. When taxpayers are left holding the bag to bail out these loans, that money comes from the same capital pool that would otherwise have been available to invest in permanent, economically viable jobs.

That's what investors do: they invest in economically viable projects. And if they are not investing in these projects, that ought to be a warning to Congress that they shouldn't be risking their constituents' money.

Because energy investors were unwilling to invest in this scheme, the so-called stimulus bill in 2009 gave the Western Area Power Administration authority to put 3.25 billion of tax money at risk to finance wind and solar transmission lines. And here's the ultimate warning, the measure even provides for forgiveness of the loan if the developer can't repay it. They don't even have to declare bankruptcy! My bill pulls the plug on this program before taxpayers end up holding the bag for these projects. Members of this house already bear enormous responsibility for the Solyndra fiasco. This bill gives them a chance to redeem themselves before this program blows up in their faces.

The Subcommittee will also hear testimony on H.R. 1719, a bill to provide consumers with the information they deserve on the cost of Endangered Species Act affects their electricity prices. Consumers deserve accurate information through the price structure of the actual cost of their services, and this measure offers a window into what they are actually paying for.

I look forward to further consideration of these two important bills that will help us return sanity and abundance back to our water and power policies.