



Statement of RES Americas

September 19 Field Hearing of the Subcommittee on Agriculture, Energy and Trade

“Are Excessive Energy Regulations and Policies Limiting Energy Independence, Killing Jobs and Increasing Prices for Consumers?”

Chairman Tipton, Ranking Member Critz, and members of the Committee, thank you for the opportunity to testify today. My name is Jennifer Bredt, and I’m a Development Manager with Renewable Energy Systems Americas.

Headquartered in Colorado, RES Americas has 250 full-time employees. We’ve built more than 10% of the operating wind farms in the US, and we currently have several thousand megawatts of wind and solar projects under development – enough to supply the electricity needs of more than two million average American homes.

The Committee has asked RES to provide a statement regarding regulations that may be negatively affecting small businesses in the wind industry. In June, RES’ CEO testified before the House Natural Resources Committee at an Oversight Hearing on “*Identifying Roadblocks to Wind and Solar Energy on Public Lands and Waters*”. RES’ statement today will echo that testimony, with a few updates.

We encounter many obstacles to developing renewable energy projects, but the number one obstacle our industry faces is uncertainty. When the uncertainty is created by an unclear regulatory regime, the negative consequences are particularly frustrating, because they could have been avoided.

A recent example is the regulatory uncertainty created by the U.S. Fish & Wildlife Department’s 2011 “Draft Eagle Conservation Plan Guidance” and “Land Based Guidelines for Wind Energy”. RES’ written testimony from the June hearing referenced above provides greater detail about the many problems these two documents have created for the wind industry.

Some progress has been made, particularly with regard to the Land Based Guidelines; however, several serious issues regarding the Eagle Guidance remain. Taken together, the eagle regulatory program created by the Land Based Guidelines and the Eagle Guidance affect wind projects throughout the contiguous U.S., and has placed an estimated \$68 billion in wind energy investment at risk.

RES has already suffered financial losses due to the uncertainty created by this eagle regulatory program, and those impacts have consequences for many of the other small businesses we employ in connection with our projects. It’s not uncommon for us to utilize the services of 25 to 50 subcontractors and suppliers in the process of developing and constructing a wind or solar facility, and payments to these subcontractors and suppliers often run into the tens of millions of dollars.

The types of small businesses involved span a wide range, from environmental consultants, to materials and equipment suppliers, to firms that pour the concrete foundations, build roads, build substations, and install electrical collection systems, to name just a few.



RES Americas has several wind projects that are currently being directly impacted by the uncertainty surrounding the eagle regulatory program, and we believe that the changes to the permitting process regarding eagles will ultimately impact the majority of our projects, creating delays and millions of dollars of additional costs. Many other developers report that they are in a similar situation.

The wind industry is appreciative of the commitment shown by Secretary Salazar and US Fish & Wildlife Director Dan Ashe to finding a resolution to the problems identified. However, until the problems are actually resolved, our industry will continue to be negatively affected by the uncertainty they create.

In closing, I would like to emphasize RES Americas' strong support for reasonable protections for wildlife. RES Americas' business is developing and constructing renewable energy projects that benefit the environment, and our corporate ethos is grounded in sustainability. So, this isn't about cutting corners or trying to sidestep reasonable regulations – but the key word is “reasonable”. Both conservation and renewable energy are critical, but there has to be a balance between the two agendas.

The American people want domestically produced, clean, renewable energy, and we want to supply it to them. But our industry faces market uncertainty at the national level, and we're thwarted by regulatory uncertainty during the development process. In the immediate term, the Eagle Guidance, combined with the Land Based Guidelines, are significant obstacles to our industry.

The renewable energy industry has the power to drive investment -- particularly in the manufacturing sector -- and to create tens, if not hundreds, of thousands of jobs.

Chairman Tipton, Ranking Member Critz, and other members of the Committee, we thank you for your interest in, and attention to, these issues, and look forward to any assistance you may be able to provide.