HB425- ENERGY SECURITY AMENDMENTS

Will we face an energy crisis? Biden is jeopardizing our energy supply

By Speaker Brad Wilson

It's natural to take for granted things that have always been there or always worked. Think of how the water flows when you turn on the kitchen faucet, or how the lights always turn on when you flip the switch. But ensuring that energy is there when you need it requires remarkable engineering, thoughtful planning and smart policy.

Unfortunately, the Biden administration's myopian quest to shutter our current affordable and reliable sources of power is **jeopardizing our abundant energy supply**.

Federal action

Earlier this year, the Environmental Protection Agency drafted a rule that relies on faulty analysis to require multiple Utah power plants to impose costly measures under impossible deadlines. Utah power providers already have a plan in place to transition these plants to cleaner sources of fuel, but if implemented, the EPA rule will play havoc with this smooth transition and be disastrous for Utah's and the nation's ability to generate the energy we need for a strong economy and the standard of living Americans expect.

Let's look at the numbers. According to the <u>U.S. Energy Information Administration</u>, renewable energy accounts for just 12% of the energy we consume. Three times as much energy comes from petroleum (36%), along with natural gas (32%), coal (11%) and nuclear (8%).

We all love the promise of renewable energy, and I firmly believe it is our responsibility to act as good stewards of the land and embrace technological advances in energy production as they become workable, but wind, solar, geothermal and other renewables are simply not currently capable of powering America without significant help from long-established energy sources.

Last month, Congress passed the massive <u>Inflation Reduction Act</u>, which, ironically, will do nothing to help families already struggling with sky-high prices at the pump and record inflation. The bill, along with new regulations being pushed by the EPA, does include <u>energy-related provisions</u> that will decommission fossil fuel resources, forcing energy providers to expedite the transition to a renewable energy system.

What that means for many Utahns is that federal regulators now hold the power **to shut down power stations** — many of which generate low-cost power at plants that Utahns have already paid for — and force them to use renewable resources that will significantly increase costs and reduce reliability.

While renewable sources of power do provide environmental benefits, they also pose costs that are not currently being considered in federal policy making such as extensive land use and reliance on foreign mining for critical minerals.

In stark contrast to the federal approach, Utah's measured, all-of-the-above energy policy has given Utahns the lowest energy costs in the country and a recent report by the Citizens Utility Board ranked Utah number one in the nation for electricity affordability.

The Beehive State's energy portfolio is primarily based on coal, natural gas and petroleum, which combine for 93% of the energy we produce, but also includes hydroelectric and renewables. In fact, Beaver County, a model of renewable energy generation, is home to solar, wind, geothermal and biomass energy production facilities and is an example of the promise of innovation in rural Utah.

Energy companies in our state are already making the transition to renewable energy. Rocky Mountain Power's current plans expect to lead a 74% reduction in carbon emissions by 2030 while maintaining reliable and affordable electricity.

While there is incredible potential for new energy sources such as renewables and nuclear to power our state, if we move too aggressively, before these resources can produce what we need, we will suffer the consequences of drastically cutting supply as demand continues to grow.

Pretending that those sources can generate the power to meet current demands — to say nothing of future needs — is beyond optimistic, it's delusional.

Last month, some of my legislative colleagues and I traveled to London. The U.K. is in the midst of an <u>energy crisis</u> largely because they became too dependent on unreliable sources of energy. The dire situation is highlighted in a <u>report from the University of York</u> that estimates three-quarters of U.K. households will be in fuel poverty by January 2023.

The issues extend across much of Europe. In Germany, where nearly half of all homes rely on Russian natural gas to heat their homes, energy prices are at an all-time high, €570 (or \$573) per megawatt-hour. By comparison, Utah pays on average \$120 per megawatt-hour. Two million Germans can no longer afford to heat their homes causing serious concerns about social unrest. And the problem will only get worse as the last three nuclear plants in Germany are expected to be decommissioned by the end of the year, further reducing the energy supply.

Though Federal policy will greatly complicate matters, Utah's commitment to providing abundant, reliable energy is unwavering. As Utahns often do, we will apply common sense solutions and continue to develop our energy sources to power our economy and maintain a high quality of life for the people of our state.