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June 29, 2021

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives H-232, The Capitol

The Honorable Chuck Schumer Democratic Leader United States Senate S-221, The Capitol The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives H-204, The Capitol

The Honorable Mitch McConnell Republican Leader United States Senate S-230, The Capitol

Dear Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell:

The GridWise Alliance is a member-led organization ensuring America's electricity grid supports our economy's changing needs. The Grid Infrastructure Advisory Council is a diverse group of executives from GridWise member companies and collaborating utilities, technology companies, grid equipment manufacturers and vendors, unions, and environmental and climate justice organizations. **Collectively, the signatories on this letter represent \$4 trillion of market** *capital, employ 1.6 million people in the United States, represent 825,000 union workers, and are leaders in advancing decarbonization, safety, security, and equity and justice principles.* The Advisory Council members have come together to support the inclusion of at least \$50 billion in any infrastructure package for grid modernization investments. These investments would make the electric grid more resilient, reliable, secure, affordable, and flexible, enabling it to serve more effectively as the platform for decarbonization, to create good-paying jobs, to strengthen national security, and to support a just transition. Investments in grid infrastructure have a strong rate of return both economically and socially.

The recent outages experienced by the Texas and California power supply systems carried a stark warning to all of us that the nation's electric power grid is vulnerable to severe weather events. The grid is facing an unprecedented array of challenges arising from the confluence of the Covid-19 pandemic, the resulting economic crisis, growing cyber threats, aging infrastructure, and increasing large-scale environmental disasters. These events have highlighted the multi-faceted vulnerabilities and needs of the nation's electric grid.

The Grid Infrastructure Advisory Council urges Congress to fully fund a set of recommendations for grid investments developed by the GridWise Alliance (attached) that will result in the expansion and modernization of the electric transmission and distribution networks, and in related initiatives to revitalize the economy, create jobs, and combat global warming. From the largest cities to those rural communities most impacted by this energy transition, it is imperative that investments specifically promote equity in energy for all Americans. Although there is much that state and local governments and other entities can accomplish, we believe that a significant federal financial role is also essential. This federal cost-sharing to augment utility and state-level investments is vital if the electricity sector is to fulfill its potential as a major contributor in driving post-COVID 19 recovery and fighting climate change, while simultaneously strengthening the power transmission and distribution systems.

The GridWise Alliance proposal would direct federal funding to existing agency programs with well-established records of successfully implementing congressional appropriations or federal tax incentives to accelerate the deployment of grid-enhancing technologies and the training of a diverse workforce for the 21<sup>st</sup> Century grid. The goals of a \$50 billion investment in grid modernization include:

- 1. Deployment of technologies to enhance grid flexibility to integrate variable renewable resources, relieve transmission constraints, and reduce the need for new carbon-emitting generation.
- 2. Deployment of technologies to enhance grid integration of buildings and electric vehicles.
- 3. Enhancement of grid cybersecurity and grow the cyber workforce.
- 4. Reinvigoration of the Section 48c domestic manufacturing tax credit and inclusion of grid-enhancing technologies.
- 5. Modernization of utility communication networks to serve as the backbone of the smart grid and, where possible, leverage investments to provide broadband service.
- 6. Resilience for critical infrastructure, including microgrids and energy storage for mission-critical public infrastructure, as well as the hardening of utility infrastructure.
- 7. Expansion of training, retraining and other programs to create a diverse pool of workers ready to take advantage of the digital, high-tech grid jobs that will be created with grid investment funding.

The full set of GridWise Alliance recommendations for grid infrastructure investments is attached.

According to the 2020 <u>U.S. Energy and Employment Report</u> (USEER), energy jobs grew faster in 2019 than job growth as a whole. Additionally, the electricity transmission, storage and distribution sectors, which employed over 700,000 people, were projected to grow 3.5% in 2020. The \$50 billion funding for grid infrastructure would create 145,000 jobs that would last for at least five years. Grid jobs are high-paying, high-skilled and steady, and many are union jobs.

Grid modernization investments are essential to meet the goals of decarbonization, enhanced grid reliability, security and resiliency, as well as energy affordability and equity. The undersigned members of the Grid Investments Advisory Council urge the Congress to include at least \$50 billion for the grid in any infrastructure package.

Sincerely, Karen Z.Wayland

Karen Wayland CEO, GridWise Alliance

**Gil Quiniones** Chair, GridWise Alliance President & CEO, NYPA

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Vice-Chair, GridWise Alliance Executive Vice President & COO, AEP



 CC: House Energy and Commerce Chairman Frank Pallone, Committee Ranking Member Cathy McMorris Rodgers; House Energy Subcommittee Chairman Bobby Rush, Subcommittee Ranking Member Fred Upton; House Environment and Climate Subcommittee Chairman Paul Tonko, Subcommittee Ranking Member David McKinley; House Select Committee on the Climate Crisis Chair Kathy Castor, Ranking Member Garrett Graves;

House Ways and Means Committee Chairman Richard Neal and Committee Ranking Member Kevin Brady;

Senate Energy and Natural Resources Committee Chairman Joe Manchin, Ranking Member John Barrasso;

Senate Finance Committee Chairman Ron Wyden and Ranking Member Mike Crapo