



April 18, 2022

The Honorable Joseph Biden
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

As Governors from across the country, we write today to highlight the costs of inaction we are witnessing from climate disasters and the corresponding need to accelerate clean energy investments that will help address climate change and also lower energy costs. Despite the ongoing efforts of states like ours and your administration, jointly addressing these items necessitates a comprehensive effort with the full weight of federal tax code behind it. The time to engage with lawmakers on an improved and comprehensive clean energy tax package is now, so families can begin realizing the cost-saving benefits and our communities can do more to reduce harmful and dangerous emissions.

The need for action is clear. Climate disasters touched each of our states with losses throughout the country totaling approximately \$145 billion. The costs of the climate disasters in 2021 were not an aberration, as the total costs of climate disasters over the last five years totaled \$742 billion (\$148 billion per year). These disasters ranged from extreme drought and wildfires in the West, more frequent and larger derecho and tornado events in the Midwest, and intense prolonged cold weather in the South. With climate change amplifying the frequency and intensity of these events, their acute costs are pushing energy prices higher for families across the country. Without action, the cumulative costs of these climate disasters will only increase in severity and frequency and push us towards an unsustainable future of rising costs and threats.

The best possible path to address these rising energy costs as well as the costs of climate disasters is through investments in clean energy that are focused on creating long-term savings for families, making the power grid more resilient and reliable, and advancing American innovation, job creation, and economic competitiveness. In your State of the Union Address, you aptly recognized this when you called for federal investments and tax credits to weatherize homes and businesses, double clean energy production throughout the country, and make zero-emission vehicles more accessible. With thoughtful support for communities as they transition to a clean energy future, these actions will lead to emissions reductions that will help us combat climate change and boost energy savings for families.

Our constituents stand to gain tremendously from clean energy investments. Thankfully, and notably, the U.S. House of Representatives and the U.S. Senate Finance Committee have acted to realize these benefits by incentivizing measurable reductions in emissions and supporting growth and job creation in our clean energy sector. We appreciate the strong partnerships between the state and federal levels and look forward to continuing to work together to advance policies that will help us utilize the benefits from those provisions to help build more resilient communities, strengthen economies that support good paying union jobs, and reduce energy costs for families. As we partner to address the costs of climate change, mitigate rising energy costs, and strengthen the clean energy economy, we look forward to the opportunity to build on the work that has already been done in both chambers by focusing investments on the following over the next ten years.

- **Clean Electricity** – From solar, wind, and geothermal, our states are at the forefront of clean energy production. Investment tax credits and production tax credits that drive down costs of installation and incentivize rapid deployment will make clean energy technologies more accessible and reduce emissions from the power sector. Importantly, making these technologies more affordable means greater savings for consumers and reduced energy bills for hard working families.
- **Energy Storage** – Coupling renewable energy with energy storage has shown just how reliable and versatile clean energy can be. For instance, during natural disasters, such as record wildfires in the West or devastating hurricanes on our coasts, energy storage has helped sustain our critical infrastructure. However, this technology is not just essential during emergencies. It also improves the reliability of power systems and provides greater access to affordable renewable energy resources for families. That is why it is essential that clean energy tax credits be expanded to include energy storage.
- **Transmission** – Increased investment in high-voltage transmission and grid modernization throughout the nation would allow for greater renewable energy access for homes throughout the country and more resilient grids that are hardened to the effects of climate change. Strong investments in the buildout of regionally significant transmission would also result in energy cost-savings of \$2.3 billion for the lower 80 percent of income brackets and create an estimated 650,000 jobs.
- **Zero-Emission Vehicles (ZEVs) & Alternative Fuel Infrastructure** – The transportation sector is the largest greenhouse gas emitter. The sooner we incentivize more drivers to get behind the wheel of ZEVs and invest in the needed buildout of charging infrastructure, the better. The transition from traditional combustion engine vehicles to ZEVs will not only drive down harmful emissions and help our states achieve our climate goals, but it will also save families money. Consumer ZEV tax credits put ZEVs within the reach of more families by lowering the price by up to \$12,500. Owners of electric vehicles could also see between \$1,800 and \$2,600 in savings on operating and maintenance costs for every 15,000 miles they drive.
- **Clean Energy Manufacturing** – Incentivizing upgrades for our domestic manufacturing sector, including for the production of our clean energy supply chain, will deliver more

good paying union jobs to our communities while also helping to decarbonize the sector and increase U.S. competitiveness.

- **Energy Efficiency** – Energy efficiency upgrades, such as upgrading to an electric heat pump and weatherizing homes, could save families hundreds of dollars a month on their energy bills. Making energy upgrades more affordable and incentivizing electrification has the benefit of saving our constituents on their utility bills and driving down emissions that contribute to climate change.

Thank you for your consideration. We look forward to working together and remain committed to addressing the climate crisis through meaningful clean energy investments that will also benefit families in our states by reducing energy costs.

Sincerely,



Governor Steve Sisolak
State of Nevada



Governor Jared Polis
State of Colorado



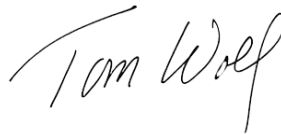
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