## Written Testimony Of

## Amy Oliver Cooke CEO, The John Locke Foundation BEFORE THE

## HOUSE COMMITTEE ON NATURAL RESOURCES SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

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Chair Porter, Ranking Member Moore, and Members of the Subcommittee, thank you for the opportunity to be with you today and provide comments.

I'd like to open with a quote from The Most Reverend Desmond Tutu: "My father used to say, 'Don't raise your voice, improve your argument."

My name is Amy Cooke. Since January 2020, I've been the CEO of the John Locke Foundation, a state-based, free market think tank headquartered in Raleigh, North Carolina. Founded in 1990, Locke envisions a North Carolina of responsible citizens, strong families, and successful communities committed to individual liberty and limited, constitutional government.

Prior to joining Locke, I held various positions, including directing energy and environmental policy, at a sister think tank in Colorado, the Independence Institute, headquartered in Denver. I have a journalism degree from the University of Missouri-Columbia and a master's degree in American history from the University of Northern Colorado.

My passion and respect for the First Amendment are what drew me to journalism. Fear of losing it drew me to public policy. "More information is freedom," said Jimmy Lai, a newspaper publisher currently imprisoned by the Chinese government for advocating for democracy. Less information is tyranny.

Freedom of speech, freedom of religion, freedom of assembly, freedom of the press, and freedom to petition the government aren't just quaint phrases. They are the five freedoms enshrined in the First Amendment of the U.S. Constitution. They constitute the cornerstone of our republic.

The First Amendment is to the powerful what freedom is to would-be tyrants. It is a life-saving vaccine that helps shield a republic from succumbing to despots. Speaking truth to power and challenging the power structure have been crucial to every single civil rights advancement in our country.

In a recent interview, former ACLU executive director Ira Glasser warned, "For people who today claim to be passionate about social justice, to establish free speech as an enemy is suicidal." If the First Amendment doesn't apply to everybody, then it doesn't apply to anybody.

The speech we dislike the most is the speech that should be most protected. That especially includes public policy debates about how to solve today's most pressing problems. I offer these words as a foundation for my opening remarks and written testimony. Americans, including those in the energy and environmental policy space, are rightfully troubled by the growing threat that their speech will be shut down by those who sit in politically powerful positions.

My expertise is in energy policy. What I've found in over a decade of energy policy research is that all debates distill down to-tradeoffs. It is the responsibility of public policy organizations, such as mine, to tell the truth about those tradeoffs,-putting a face on those tradeoffs so that people, including media influencers, legislators, voters, and the general public, have all the information they need to make informed public policy decisions.

I've been on the ground working with those who have concerns and stories to tell regarding those tradeoffs. They have a right to tell their story, and the public has the right to hear them, but they're often shut out or marginalized by the information-industrial complex that includes legacy media, big tech, and government.

As an example, let's take the regulatory space at the Colorado Public Utilities Commission. It's the playground of corporate lawyers, unelected bureaucrats, and well-funded environmental groups. They have "stakeholder" meetings that include only themselves. Then they issue press statements slapping each other on the back for their hard work securing a "settlement" that forces ratepayers, who weren't at the table because they aren't "stakeholders," to pay more for what was going to be an inferior product that could greatly impact their families and businesses. That's why I got involved in a utility's carbon reduction plan at PUC. A group of small businesses felt their voice wasn't being heard by the very commission that is supposed to represent them.

The PUC does not put out the welcome mat for new players. In fact, the barriers to entry in a regulatory proceeding are quite high including: an antiquated filing system, lack of affordable local counsel, and the need for highly skilled, and usually very expensive, expert witnesses. Even if a party is fully prepared to enter into a proceeding, intervention is largely discretionary. Only by first persuading the PUC that intervention should be permitted is a party granted an audience and a voice in the process. For the privilege of petitioning your government, it can cost hundreds of thousands of dollars to do it in a meaningful way.

Another example is a ballot measure I worked on in 2018. I headed up an issue committee Spirit of Colorado in opposition to Proposition 112 that would have put oil and gas development off limits in a high percentage of private land in Colorado. Opposition to it was strong and bipartisan, including then Democrat gubernatorial candidate Jared Polis who said it would "all but ban fracking in Colorado." Democrat State Representative Paul Rosenthal said, the measure "goes too far, too quickly....It would basically ban the oil and gas industry from Colorado."

There were decent, hardworking Coloradans across the political spectrum who wanted voters to know what a de facto ban on hydraulic fracturing would do to their livelihoods, their families, their businesses, and communities. We provided an outlet for people like a welder named Raul, small business owner Mark Weinmaster, a young female firefighter from a rural community, moms, and others to tell their stories. They explained what the tradeoff of a 2,500-foot setback would look like for them. In November, voters rejected Proposition 112 55 percent to 45 percent because it was bad public policy for Colorado. Many of those same voters also elected Jared Polis to be their Governor.

In a recent energy policy debate in North Carolina, we didn't argue about the policy goal of zero carbon from the electricity production and distribution industry. Instead, we provided expert

analysis for the most efficient and reliable way to get there. Our report supplied the foundational building blocks for what ultimately became the final version of a bipartisan bill H.B 951 titled Energy Solutions for North Carolina. Democrat Governor Roy Cooper signed it into law in October 2021.

## Quick (and important) Facts about H.B. 951:

- The bill mandates that reasonable steps be taken to achieve a 70 percent reduction in CO<sub>2</sub> emissions by 2030 (with timing discretion given in certain circumstances) and "carbon neutrality" by 2050 (also with time discretion in certain circumstances).
- The General Assembly gives the North Carolina Utilities Commission (NCUC) authority to pick the energy fuel source mix and plans, through a stakeholder process, to achieve the goals stated in the law.
- The law requires that the NCUC choose the least-cost and most reliable options.
- The law further requires the NCUC to reevaluate its plan(s) every two years to account for technological advancements which may improve the least-cost and reliability standards.

At a time when we are putting increasing demands on our grid with electric vehicle mandates and new building codes, we need look no farther than California and Texas to see that their tradeoffs were not wise. Trading reliability and quality power for taxpayer-subsidized industrial wind and utility-scale solar is detrimental to the grid and, more importantly, to ratepayers. Electricity becomes unreliable and much more expensive. American voters deserve access to the facts, so that they can decide for themselves. Our First Amendment ensures that they can. I trust voters to put good policy over partisan ideology.

So, while we sit in hearings to police the debate over energy policy, real problems need to be solved. Gas prices are still far too high. Rather than encourage domestic production, the President is asking OPEC to increase production. The Economist labeled the looming energy crisis across the Atlantic, "Europe's winter of discontent." In California, ratepayers are forced to pay for an unreliable, inferior product due to bad policy decisions from the past. As a result, they were told to curb their electricity use to avoid rolling blackouts. In Denver, the utility locked some residential thermostats so ratepayers couldn't adjust them during peak demand.

When a cyberattack and network disruption shut down the Colonial Pipeline in 2021, 70 percent of North Carolina gas stations went dry. It was reminiscent of the 1970s gas lines, with cars backed up for miles in hopes of securing a few precious gallons. It's no better if you have an electric vehicle, and your Governor tells you not to charge it because it could strain the grid. Energy is the lifeblood of our economy, but we don't protect it as if it is. We don't have redundancies nor contingency plans in place.

The reality is we must have energy to power our modern economy. That includes transportation, residential, commercial and industrial. What should we be doing?

- Expand our energy infrastructure
- Encourage domestic energy production and development of rare earth minerals
- Expand our energy infrastructure and encourage expansion with our allies
- Reward reliability and resiliency

- Stop rewarding non-dispatchable, unreliable energy sources that threaten grid stability
- Consider a reliability risk premium or a cost of failure. If a generator cannot guarantee its capacity factor, investors or shareholders should be held accountable.
- For a path to zero emissions, follow North Carolina's lead on HB 951. Like Colorado, our Utilities Commission has procedural flaws and regulatory barriers to entry, but the bill is a good policy model for reason and debate, for mutual respect and reasonable compromise
- Create an atmosphere that respects the First Amendment and fosters civil debate
- Lower barriers to entry in the regulatory arena, encourage access so all voices can be heard in the energy space

In closing, there is good news about energy. It doesn't have to be an either-or choice. We don't have to choose between a clean environment and our quality of life. Thanks to Americans' innovative and entrepreneurial spirit, we've greatly reduced our carbon emissions while still allowing for human flourishing. We've demonstrated that we can develop our resources wisely, provide clean, safe power and be energy dominant, free from dependence on hostile regimes that may threaten our national security. I've included links to a number of resources to assist with the development of such an approach, and, of course, I, or any member of my team is always available and willing to help.

We shouldn't be afraid of different ideas. We don't have to raise our voices or shut down speech with which we disagree. Rather than blame some other entity or demand government intervention, let's follow the advice of Desmond Tutu's father and improve our own arguments. It will make all of us and our republic stronger in the long run.

For more information on any of the information presented above, I suggest the following information:

- How much would you spend on electricity for tens of thousands of jobs lost?
- Big Blow
- Energy Crossroads
- Analysis of Duke Energy's Carolinas Carbon Plan and a Least Cost Decarbonization Alternative
- Implementation of NC H.B. 951, Energy Solutions for North Carolina
- Can House Bill 951 keep winter from coming to North Carolina?
- Brad Muller testimony
- Coalition of Ratepayers Case Study
- Colonial Pipeline Shutdown: Outages by State

Thank you.

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