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August 25, 2015

Chairman Mike Nofs and Members of the Senate Energy and Technology Committee
Michigan State Senate, PO Box 30036
Lansing MI 48909-7536

Dear Chairman Nofs and Committee Members:

Thank you for the opportunity to submit written testimony to the Senate Energy and Technology Committee regarding SB 438. On behalf of the Midwest Chapter of Environmental Entrepreneurs (E2), we are writing to oppose efforts to eliminate the Energy Optimization Standard (EOS) and weaken the Renewable Energy Standard (RES).

Environmental Entrepreneurs (E2) is a non-partisan, national community of business leaders who promote strong environmental policy to grow the economy. We are entrepreneurs, investors, and professionals from every sector of the economy who collectively have been involved in financing, creating or working in the early development of 2,500 companies, which have created over 600,000 jobs. Our members manage over $100 billion in private equity capital that will flow over the next several years into new companies in Michigan and beyond.

Michigan is a leader in the national clean energy economy, as demonstrated in E2's Clean Energy Jobs reports. By tracking job announcements from companies; federal, state and local programs and initiatives; the media; and other sources, E2 documents how and where clean energy and clean transportation works in the United States. In 2014, we tracked nearly 47,000 clean energy and clean transportation job announcements at more than 170 projects across the country. Michigan ranked fourth in the country on this list with 3,628 jobs announced. General Motors, SolarBos and Suniva all made large hiring announcements. Michigan has been capitalizing on its manufacturing prowess and skilled workforce to meet projected demand for renewable technology and advanced vehicles throughout the next decade.

Not only was Michigan on the top ten list for the country in 2014, but it is one of the few states in the Midwest to crack the top 10 list on a quarterly basis since we started tracking jobs announcements. This is not by accident. States that are creating clean energy jobs are those with strong state standards, like Michigan's EOS and RES. These create market certainty for business. A strong EOS will stimulate clean technology investment and innovation and grow the economy by sending a clear market signal to encourage energy efficiency deployment in Michigan. A strong renewable energy standard provides market certainty for developers, investors and planners of renewables projects and transmission.

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We also recently commissioned a poll of small businesses in Michigan regarding their attitudes on key energy issues facing the state. Businesses that worked directly in the energy field were screened out so businesses in the survey included industries like heavy/special traders, health care, food services, entertainment and recreation. We found high levels of support for state policy that protects the environment and a majority of businesses felt like this did not conflict with economic growth.

Our key findings include:

- 90 percent support expanding utility programs to help consumers become more energy efficient.

- More than three in five believe renewable energy will create jobs.

- 83 percent of Michigan business owners and managers said we can have a strong economy and clean environment at the same time without choosing one over the other.

Respondents were owners, CEOs, presidents, partners, VPs or senior managers with Michigan-based businesses. Most of those interviewed led small businesses (with 79% representing businesses with no more than five employees). Respondents also tended to be politically conservative: more than twice as many identified as Republicans (35%) as Democrats (16%), with the balance labeling themselves independent. These results indicate that a diverse group of businesses in the state support state standards. You can see the full poll results at this link: http://cleanenergyworksforus.org/wp-content/uploads/2015/08/FINAL-e2-michigan-poll.pdf

I have also included a memo outlining the key findings to this letter.

Clean energy and clean transportation projects continue to create American jobs and drive economic growth. In order to build upon clean energy's successes, it's up to state policymakers to provide businesses with regulatory certainty and the strong market signals they need to expand operations and create jobs. In Michigan, policymakers can start by strongly implementing and strengthening existing energy efficiency and renewable energy standards. Eliminating these standards will take the state in a wrong direction.

Sincerely,

/s/
Gail Parson
E2 Midwest Advocate