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Testimony for US House of Representatives, Committee on Oversight and Reform, Subcommittee on the Environment

"Jumpstarting Main Street: Bringing Jobs & Wealth Back to Forgotten America."

My name is Michelle Martinez, I work as the Acting Executive Director for Michigan Environmental Justice Coalition. For ten years MEJC has been fighting for equal access to a clean environment, and environmental justice with coalitional partners, advocates and activists in Michigan, working from the Jemez Principles of Democractic Organizing.

Over the last three years, MEJC has engaged in a powerful campaign with partners like We Want Green Too! Citizens Resistance Against Fermi Two, Soulardarity, Michigan Welfare Rights Organization and more to do three things in Detroit: make energy affordable, healthy and find community-owned renewable energy pathways. We feel that everyone, no matter where you live or what color your skin, deserves to be able to have access to affordable energy, breath clean air, and participate in the renewable energy economy. And what we've encountered is a matrix of corporate power and the politicians they pay, obscuring, obstructing and denying our pathway to democracy and climate justice.

What is critically needed right now is direct community investments, not just vague and uncertain "benefits" to areas in Michigan that are hardest hit by the long history of environmental contamination and disinvestment of the industrial sector. Detroit is emblematic of places all over the United States— a pollution-free economy is an opportunity to course correct from corporate greed to community health and wealth. The time is now, we must invest in community, protect our future, and reinvent our economy so that future shocks, like the one we are experiencing as the result of COVID, are diminished.

Just to give a portrait of what people do in the face of disinvestment and crumbling infrastructure I turn to testimony given by a Detroit resident Kiava Stewart to the Michigan Public Service Commission, highlighting the plight of power outages. In Detroit, pre-pandemic, the utility performed over 200,000 shutoffs every year. Detroit experienced death from power outages at twice the rate of suburbs. Ms. Stewart talked about how during power outages, mothers in her community pool food and redistribute to those who do not have food from refrigeration spoilage, going great lengths to feed kids until the next snap benefits come. We recently learned that a single elder on Detroit's Eastside has been without heat for three years. Left out of critical assistance, the community is now fundraising to help her fix the roof and purchase a new boiler — requiring updating of early 1900's knob-and-tube electric. Disinvestment in our public infrastructure has left residents all across Detroit paying above and beyond their share for the energy system. In a recent survey of 650 Michigan residents we found that in Detroit, nearly 50% of the respondents were paying more of 10% of their total income on just energy. A recent report by Georgia Institute of Technology's School of City and Regional Planning stated that a combined heatwave and power outages in Detroit could be worse in fatalities than the magnitude of Hurricane Katrina.

The American Recovery Plan must be ambitious in its push to invest in the renovation of our energy system with community health and wealth at the center to solve the climate crisis. Detroit wants to go to work to fix the climate problem. In Highland Park, a small municipality within Detroit, when the utility came to repossess the street lights it was residents who came together to install solar street lights. They have now formed, with the help of community-led non-profit Soulardarity, the first solar co-op in Michigan. While the utilities continue to make projections based on least-cost scenarios without considering the cost on ratepayers or on hospital bills and additional pollution externalities, environmental justice communities are the ones left behind.

We must renovate our homes. We must put our workforce back to work. Every dollar that we spend on fracked gas systems is an opportunity cost sacrificing the solar, wind, and distributed generation markets we so desperately need. Every day that we spend deliberating how to appease climate deniers, and fossil fuel backed lobbyists, is a day we sacrifice in the fight against catastrophic climate change. It is now totally undeniable that we have a deadline of 2030 to transition our economy to a renewable energy economy. If our society cannot undergo massive transformation hundreds of millions more human lives could be lost, and unspeakable ecological collapse will threaten critical life systems on Earth and Black and brown communities, Indigenous communities will be hardest and fastest and first. \$1.138 trillion is the estimated public investment in wind, solar, and geothermal energy that economic modeling shows is necessary to enable a 50 percent decrease in U.S. greenhouse gas emissions by 2030.

Right now fossil fuel proponents are pushing for false solutions that build out another generation of fracked gas, and extend nuclear, extending their power and profit, threatening the most precious resource in the United States—the Great Lakes. While advocates Tribal leaders, and municipalities are leading to shut down the Enbridge-owned Line 5 which brings Athabascan tar sands to the Detroit Metro area for refining and export, DTE Energy and others continue to build fracked gas pipelines, tethering the Great Lakes for another 3 generations to the threat and risks of climate-causing methane gas. Methane gas is 20 times stronger a climate-causing gas than CO2- and we must wholly reject crediting it as a solution. This year, DTE Energy will bring online a brand new fracked-gas burning facility ironically called the Blue Water Facility. In 2018 environmental advocates produced a report indicating that through a combination of solar, wind, storage, and distributed energy technologies wee could save over \$340 million and make more jobs while providing the same amount of electricity. The Snyder-appointed PSC ruled in favor of the utility. Now we are locked in to paying for a multi-billion facility regardless if it lives out its full life cycle of a projected 30-40 years.

What we've also <u>learned</u> through this period of discovery with our utility over the last three years is that Detroit- a city of 85% People of Color, uses less energy, pays a higher proportion of their income on energy, is overexposed to fossil pollution, experiences hospitalization and associated costs from that pollution at a higher rate, and experiences greater health care costs from high heat events than that of their suburban counterparts demonstrating that the redlining and white flight that happened over the second half of the 20th century is defining the early stages of climate inequity. That is, white suburban communities are not experiencing the impact of the energy system the same as Black and Latinx urban Detroit.

The American Jobs Plan is our chance to invigorate our commitment to change-- but we need to be bolder, go bigger and do so now. Detroit wants access to the renewable energy economy, fair wages and union jobs. Detroit wants investments in our schools to replace water systems, put solar on their roofs and education that supports teachers and curriculum that teaches STEM. We want to renovate every home in Detroit and fight gentrification-like We Want Green Too! who trains veterans with PTSD how to renovate homes to fight climate. Detroit wants to be manufacturing solar technology as the Green Door Initiative has begun to do. Detroit wants to breathe clean air, and spend afternoons barbequing—not reviewing permits, on dialysis or in cancer treatment or at gone-too-soon funerals.

There are very clear barriers to accessing the renewable energy economy and Congress must level the playing field with bold direct community investments to ensure equitable development.

Equitable deployment of resources, fairness in the rate structure, access to capital, adequate education and job training, guarantee of minority business contracts, and sustained resources, low-wages, corporate control, and racial discrimination are all barriers to entry. For example, the rates of energy that have been established over the last twenty years showing that residential rates have risen by 85% overall while heavy industrial rates have actually gone down. Michigan has the highest energy rates in the Midwest. Ratepayers have very little say in how the energy matrix is decided, while industry is very well represented in energy proceedings. Yes, Michigan advocates have tried to weigh in on PSC proceedings, but that requires high-paid lawyers with scientific experts to go against an army of billionaire corporate lawyers.

Detroit needs an increase in LIHEAP monies, we need that in an increasingly unaffordable energy system. But more, we need fair, affordable, funding mechanisms that are aligned with climate justice -- first Congress can employ a <u>national moratorium on all utility shutoffs</u> and a mandate for affordable payment systems and levy heavy penalties for stranded assets; and second, a halt on the regressive mechanisms that allow companies to pass the risks of their decisions to construct new fossil infrastructure onto ratepayers.

Right now in Lansing, Michigan, fossil fuel backed decision-makers are gambling with our future. They are <u>debating</u> whether or not to "lift the cap" on rooftop solar. Right now the solar rooftop cap is 2%. Two-percent. Utilities also continue to fight how much they have to pay residents for producing energy, while they enjoy guaranteed monopoly and guaranteed profits. What's more <u>fossil fuel corporations are fighting to credit fracked methane gas</u> as a climate solution, knowing full-well that methane gas is a 20x stronger GHG than carbon dioxide, and research suggests that leakages from fracking make methane gas no better than coal when it comes to climate-warming emissions. Utilities fear that mandatory emissions reduction will leave them with the sunk costs of their fossil fuel investments, so they're pushing forward the false solution of "net zero" emissions through carbon offsets and carbon credits — dangerous distractions to real climate solutions that are being adopted up and down the chain of state level executive action and Public Service Commission staff reports.

The federal government can help alleviate the access barriers and reject false solutions, by offering direct grants to municipalities for community-owned solar, distributed generation, and access to battery storage and offer assistance to residents who invest in electrification and our state to rebuild our grid. School districts, towns and cities who want to invest above and beyond what the utility offers through wealth-building strategies of community-ownership and resilience measures should be compensated to do so as a service to our future and planet.

As outlined in the THRIVE Act, we want the jobs, we want community oversight that allows evaluation to avoid elite capture of critical life-saving resources. Community oversight should happen at every level. FERC must continue to provide technical assistance to local groups and Tribal nations to engage in decision-making. The EPA and DOE must continue to expand their environmental justice agenda and adopt the WHEJAC recommendations like Justice 40 and the EJ Mapping Tool. And incentives should be given to entities that ensure oversight mechanisms. But none of that can be done without ambitious investments across the nation for renewable and distributed energy resources and technologies, specifically with the aim of reducing and eliminating inequities.

The investments that Congress needs to make right now should address these issues in the power system. Detroit needs investment in renewable energy that creates roads of access to the renewable energy economy, that opens access to energy efficiency and solar, to reduce pollution in our neighborhoods and increase jobs in a way in which those direct benefits go to the homeowner community.

A report done by the Political Economy Research Institute at the University of Massachusetts Amherst cited that a \$109 billion investment over 10 years would create 558,000 jobs in Michigan. We stand with the Climate Justice Alliance to support the THRIVE Act, which contains the language, the scope and scale that will build Detroit back to its fullest power. In 10 years my eldest will be graduating from high school. I hope then to have my student loans paid and to be able to send her to university. I hope to have paid off my mortgage. I hope to have solar on my roof. I want to drive down the streets of Detroit, and rather than see foreclosed homes next to in accessible gentrified renos and empty schools or broken water mains pouring into the Detroit sewer system. I want to see a vibrant and revitalized Detroit. And when record heat hits Detroit, I don't want to see hospitals filled with asthmatics and heart patients sick with ozone poisoning—I want to see families and barbeques in those cool renovated homes with clean water running from faucets. Detroit needs a pathway for a Just Transition from the fossil fuel economy to one of a regenerative economy-from Motown to Growtown, where there is equal rights to full employment, quality schools and homes, robust universal healthcare, access to clean water and healthy food, robust transit and renewable energy for all.