April 16, 2021

Dear President Biden,

Our companies are committed to working with you and Members of Congress to design and implement policies to enable the U.S power sector to play a central role in achieving our nation's climate goals. The U.S. should implement a broad suite of regulatory and legislative policies to enable deep decarbonization of the power sector, including a clean electricity standard that ensures the power sector, as a whole, reduces its carbon emissions by 80 percent below 2005 levels by 2030. A federal policy framework can be designed to support the power sector's deployment of strategies that are technically feasible, ensure reliability, and maintain affordability for customers.

A clean electricity standard for the power sector should be designed to ensure that the power sector can work together to achieve the necessary reductions while providing emissions certainty and accelerating investments in advanced clean energy technologies in a flexible, technology-neutral way that recognizes the role of both new and existing clean, lower-emitting generation while also providing the flexibility necessary across geographies for technical feasibility. Such a national policy can provide the certainty that the emission reductions needed from the power sector will be achieved. While some companies, states, and regions will have the opportunity to achieve greater carbon reductions on a faster timeline, for example, due to better access to carbon-free resources and customer demands, others may need additional time to achieve similar reductions. However, collectively, we believe this national level of deep decarbonization across the U.S. power sector by 2030, as a whole, is both achievable and necessary.

Securing this level of emission reductions in the power sector is consistent with achieving economy-wide net-zero emissions no later than 2050. Electrification of the transportation, building, and industrial sectors, along with strategies to rely on low-carbon fuels, will be necessary to meet economy-wide targets. Deep decarbonization of the power sector by 2030 is critical to ensure that the power sector serves as an enabler for the achievement of net-zero economy-wide emissions by 2050 and that the U.S. remains on track over the next decade.

In addition to a national carbon program, policies are also needed to support companies' investments in the clean energy infrastructure to ensure climate resilience and reliability and advance affordability for electric customers, equity and environmental justice, job creation in the U.S. throughout the supply chain, and a just transition for communities. We see the need for policies that provide incentives for zero- and low-carbon resources and technologies to support greater deployment of such resources, including decarbonized hydrogen demonstration projects and carbon capture projects as well policies that reflect the role of both new and existing zero-emitting generation. Additionally, we will look to work with state and federal policymakers to leverage existing state programs while also ensuring states can continue to drive clean energy investments and build upon their early leadership to reduce emissions in the power sector.

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We strongly support a national approach to mitigate climate change that achieves economy-wide net-zero emissions by 2050 and that drives investment in a clean energy economy to create jobs and build the necessary clean energy infrastructure. As companies that have long supported the need to address climate change, we look forward to working with you and Members of Congress on policies that are consistent with the power sector's deep decarbonization by 2030 and economy-wide net-zero emissions by mid-century.

Signed:

Calpine Corporation

Exelon Corporation

Holy Cross Energy

Kit Carson Electric Cooperative

Los Angeles Department of Water and Power (LADWP)

National Grid

New York Power Authority (NYPA)

Portland General Electric

PSEG

Puget Sound Energy

Sacramento Municipal Utility District (SMUD)

Seattle City Light

Talen Energy

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