Achieving Net-Zero

Policy priorities to enable the U.S. energy transition

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Government Affairs

Siemens Energy in the United States

We are a 10,400-person strong team. We are dedicated to serving as an integrated, full-service partner and driver of the energy transition in the U.S. and globally. Headquartered in Orlando, Florida, our presence in the United States consists of offices in 84 locations including 26 manufacturing sites. One quarter of our U.S. workforce works in production operations across our Generation, Industrial Applications, and Transmission businesses. Siemens Energy's 67 percent stake in Siemens Gamesa Renewable Energy makes it a global pure play energy technology company.

Our diversity is our strength. We are powered by our people and our values. With a focus on sustainability, the co-creation of innovation with our partners, and strong engagement in the communities where we operate, we seek to not only deliver on the fundamentals but to lead the energy transition now

The United States is our company's largest market worldwide. Our technology is a key enabler of America's transition to a less carbon intensive economy. The installed base of Siemens Energy technology in America supports one-third of our nation's total energy needs today. We are proud of our long history as a reliable partner to our nation's energy providers and producers.

Partnering to protect our planet. Sustainability is at the core of who we are. We have set the target to become climate-neutral by 2030. We aim to achieve this by transitioning our own electricity consumption to 100 percent green energy by 2023. These emission reduction targets have been scientifically verified by the renowned Science Based Targets initiative (SBTi).

With a strong and resilient portfolio along significant parts of the energy value chain, we are a partner of choice for our stakeholders and shaper of the energy transition worldwide. We partner with our many customers to support the ambitious decarbonization goals they and government stakeholders are setting. Turning these goals into reality will require supporting transitional and innovative technologies, bold policy measures, and the right incentives for forward-looking investments.

Embracing all technologies that enable the energy transition.

The many stakeholders leading the energy transition are at different points in their journey and are moving at different speeds. Siemens Energy supports our customers no matter where they may be in this process. Our technologies will help the world achieve climate neutrality. Any policy debate on decarbonization must recognize that durable transitional energy solutions are needed to achieve ambitious carbon emissions reduction goals.

The Siemens Energy approach to enabling the energy transition is based on three strategic pillars: 1) Enabling low or zero-emission power generation; 2) Facilitating the transport and storage of electricity; and 3) Reducing the greenhouse gas footprint and energy consumption in industrial processes. We have identified seven principles that we recommend policymakers should follow to help meet the growing demand for energy while transitioning to a more sustainable world.

U.S. Public Policy Priorities

1. Jumpstart the carbon neutral economy.

Research, development, and demonstration projects will increase the adoption of carbon neutral technologies. The Federal government is a key player in the RD&D ecosystem, and it should focus significant investment toward achieving innovations in decarbonization.

2. Spur Investment in renewable energy generation and energy storage.

Carbon-neutrality goals will not be met without wide-scale deployment of renewable energy generation assets and diverse energy storage technologies. Providing incentives to produce and invest in these assets will accelerate their deployment, extend their availability, facilitate sector coupling, and help ensure that demand for decarbonized energy is met.

3. Modernize transmission grid infrastructure.

The grid infrastructure on which the U.S. economy and national security depend, must be updated to be more resilient, sustainable, and able to integrate renewable energy sources. The build out of efficient interconnections and grids should be supported by policies that: bring renewable energy to the consumption centers; reduce energy losses and improve power quality; increase resiliency and better manage intermittency through digitalization; deploy zero-emission and zero-pollution (non-toxic) solutions to mitigate environmental impact; and streamline the regulatory and permitting process.

4. Enable and accelerate the growth of the hydrogen market.

Hydrogen and derived liquid fuels have the potential to drive industrial growth in the U.S., creating new jobs, increasing exports, and realizing climate-neutrality. These fuels are the missing link that will help turn low-carbon electricity into an entire low-carbon economy. Enabling a fast, scalable, and near-term market uptake of hydrogen is a policy imperative. Investments in pilot projects, existing infrastructure readiness, and financial incentives to deploy hydrogen technology are levers policymakers can pull to grow the hydrogen market in the U.S.

5. Increase efficiency and security with digitalization.

The number of digitally enabled components on the grid is continuously increasing. This digital transformation is accelerating the energy transition. It is also leading to an expansion of the cybersecurity threat landscape that must be defended. It is important that policymakers find the right balance between regulations and market-driven solutions so as to not slow the deployment of the very digital tools that enhance cybersecurity and achieve carbon neutrality.

6. Promote a fair global trade system to enable U.S. growth & competitiveness.

Broad-based U.S. economic growth is achieved when international trade rules create a level playing field for America and its workers. Market access for established and trusted trading partners ensures that companies in the U.S. can source product at competitive prices through secure global supply chains; the U.S receives reciprocal market access which drives American exports and increases U.S. jobs.

7. Focus on carbon intensity.

Carbon neutrality will require a fundamental shift away from the primary fossil energy supply toward large volumes of clean and renewable energy. This transition will be gradual. Policymakers must ensure that all sectors can cost-effectively access enough clean and renewable energy to eventually achieve carbon neutrality. This will look different for each industry and even distinct geographies within the U.S. Policies should be guided by measuring "carbon intensity" rather than a specific technology or fuel source. The adoption of carbon-neutral energy can be accelerated by policies that help bridge the cost gap between fossil energy solutions and carbon-neutral alternatives, promote further investment in lowering GHG emissions of existing assets, and maintain a steady pace of energy transition over time.

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