

March 4, 2016

Members

- Alaska Power &Telephone, Inc.
- CIRI
- Juneau Hydropower, Inc.
- Delta Wind Farm
- Fishhook
 Renewable
 Energy
- Alyeska Resort
- STG Incorporated
- Chenega Energy, LLC
- Cape Fox Corporation
- American Transmission Co.

Board of Directors

- Earle Ausman, President
- Keith Comstock
- Mike Craft
- Bob Grimm
- Ethan SchuttRandall Call
- Greg Porter
- Chuck Blair
- Jim St. George

Executive Director

Duff Mitchell Contact

Mailing Address 8585 Old Dairy Rd. Suite 104 Juneau, AK 99801

<u>Telephone</u> 907.789.2775

Web www.aippa.info Representative Liz Vazquez Chair, House Special Committee on Energy State Capitol Room 432 Juneau AK, 99801

RE: Alaska Independent Power Producers Association (AIPPA) support for HB 363 extension of exemption for small power producers

Dear Representative Vazquez,

AIPPA is a diverse organization that boasts of its membership the leading renewable energy developers and independent power producers in Alaska. Independent power producers (IPP's), which are efficient and innovative renewable energy developers generate 38% of America's electrical generation. In Alaska, IPP's represent a much smaller, but growing share of the total generation. The previous State exemption on small power producers helped pave the way for millions of dollars of private investment in Alaska's energy resources. Many Alaska IPP investments would not likely have invested in Alaska jobs and energy infrastructure without the exemption of regulation that now expired on January 1, 2016.

AIPPA supports the simple and effective language of HB 363 that extends the period that small power producers are exempt from State regulation. As you and many of your colleagues know, the federal government exempts all small power producers from state regulation as does the other 49 states. Alaska is the exception to the over-regulation of small power producers. AIPPA supports HB 363 because it removes the state overreach that this extension cures to 2025.

This simple, but effective bill cures unnecessary "state overreach" in our regulations and removes unnecessary State bureaucracy and regulatory costs that discourage private investment. HB 363 provides the encouragement of small power producers to invest in Alaska energy resources to help drive down the cost of power for Alaskans.

AIPPA appreciates your interest and continued leadership in making Alaska regulations more effective and less burdensome on Alaskan enterprise. HB 363 encourages private investment in Alaska at a time when Alaska needs it most. We appreciate your sponsorship and leadership on this important Alaska regulation matter.

Regards,

Duff W. Mitchell Executive Director