



February 25, 2015

Members of the Alaska State Legislature,

The purpose of this letter is to express STG Incorporated's (STG) support of HB78, the Alaska Competitive Energy Act of 2015 (ACEA).

STG is an Alaskan based construction company with over 20 years of experience in every aspect of rural construction with a focus on energy infrastructure in rural and urban settings.

STG performed the crane work to erect the first 11 turbines installed under the 1st phase of CIRI's Fire Island Wind project. Phase 1 was only made possible through proactive cooperation of Chugach Electric. Otherwise, the project would have fallen by the wayside.

Most recently, STG planned to erect the next 11 turbines for CIRI's 2nd phase of their Fire Island Wind project. STG, their employees, shareholders, and vendors, counted on this work for 2015. However, it has been suspended indefinitely due to the lack of a voluntary buyer or access to transmission line interconnection.

The lack of legislative rule regarding fair consideration and non-discriminatory open access transmission service are the primary barriers preventing successful development of Fire Island Wind Phase 2 and other projects similar in nature.

Additionally, as a rate payer, STG supports an equal playing field for independent power providers (IPPs) and utilities. Alaska needs a fair governing standard between IPPs and utility organizations. STG asks that the Alaska Legislature pass the ACEA to ensure that Alaska attracts private capital and creates private industry jobs to develop Alaska's in-state electrical energy resources.

Thank you for your consideration on this important matter.

Sincerely,

James St. George
President