



March 4, 2016

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- Fishhook Renewable Energy
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Senator Lesil McGuire
State Capitol Room 121
Juneau AK, 99801

RE: Alaska Independent Power Producers Association (AIPPA) support for SB 193 extension of exemption for small power producers

Dear Senator McGuire,

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. SB 277, the predecessor of SB 193 has 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 previous exemption of regulation that now expired on January 1, 2016.

AIPPA supports the simple and effective language of SB 193 that extends the period that small, independent 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 and is unique in this over-regulation of small power producers. AIPPA supports SB 193 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. SB 193 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. SB 193 encourages private investment in Alaska at a time when Alaska needs it most.

Regards,

Duff W. Mitchell
Executive Director