Michigan Independent Power Producers Association

Honorable Frank Accavitti, Chair
Energy and Technology Committee
Michigan House of Representatives
Anderson House Office Building
124 North Capitol. P.O. Box 30014.
Lansing, MI 48909-7514

Dear Representative Accavitti:

For reasons discussed briefly below, the Michigan Independent Power Producers Association ("MIPPA") strongly supports HB 4562. MIPPA is a member of the Michigan Sustainable Energy Coalition ("MSEC") and has worked with other members of MSEC to identify a reasonable approach to implementing a Renewable Portfolio Standard that will treat all stakeholders fairly and still be effective in promoting the use of renewable energy with providing incentives that exceed the value of the power received on a life cycle basis. MIPPA is convinced that HB 4562 will accomplish that goal.

It is obvious form work done to date in preparing the 21st Century Energy Plan and before that in the MPSC directed Capacity Needs Forum that Michigan faces a very difficult task to obtain sufficient generation resources to meet customer requirements over the next twenty years to maintain the accustomed and mandated level of system reliability the state has enjoyed and depended upon for decades. MIPPA members strongly support efforts to maximize the utilization of the State's renewable energy resources for that purpose. Further, MIPPA supports a definition of renewable energy

from sources that encompasses the full range of technologies which 1) are capable of improving Michigan's environment; 2) are produced from locally available renewable resources; and 3) help conserve scare fossil fuels. These technologies include electric power generated from biomass, waste wood, landfill gas, solar, wind, hydro at existing dam sites, photovoltaic and other solar technologies and any other qualifying renewable energy resources.

MIPPA also believes it is critical that any renewable energy portfolio standard adopted in Michigan cause the continued active support of existing renewable energy projects that are currently supplying electricity in Michigan and have provided Michigan with clean reliable power for, in many cases, years and are capable of providing such service for many years to come if they are not placed at a competitive disadvantage. and allow the potential to develop additional projects. Further, MIPPA believes that targets established for any RPS should be reasonably attainable within the utility's planning horizon utilizing existing technologies and the existing state of the art regarding practices, output and pricing. From MIPPA's viewpoint HB 4562 can accomplish all these goals. Accordingly, it has MIPPA's strong support.

Sincerely,

Donald W. Johns
Director