

**IN VCEPS Stakeholder Meeting with
AMERICAN WIND ENERGY ASSOCIATION (AWEA) – July 20, 2011**

AWEA produces quarterly and annual reports regarding wind implementation across the country.

Jean Brode's experience in Oklahoma Commission in 1997 – 2007: The Oklahoma Commission was looking for diversification in the utilities' Integrated Resource Planning (IRP). They also realized that environmental rules were coming. This was exacerbated by air pollution from Texas, which further limited what Oklahoma could build. At the time, natural gas prices were very volatile. Oklahoma's renewable program consisted of voluntary targets and tax incentives. An additional incentive for the consumer was a percentage decrease in the consumer's fuel adjustment clause by the same percentage that the consumer chose to be provided through wind power. The utilities received a return on equity incentive.

Of new resources being built in America, 42% are natural gas and 35 % are wind.

Transmission is important to a robust and balanced grid and the integration of wind into the grid. Transmission is also less expensive than storage.

There have been great technology advances in wind turbines, which have a 15% increase in capacity. There are also great advances in manufacturing, especially the moving of manufacturer of wind turbines to the United States.

Another important way to incentivize wind construction is through the use of 20 year contracts.

Long-term contracts act as an insurance policy. Between plant closures and EPA rules, the status quo won't last much longer. Diversification equals a decreased future burden. Cost recovery is also important, but need to determine what's reasonable to pass through. The long term contracts should also provide local benefits and incent the development of local manufacturing facilities.

IURC Question: How to make the cost effectiveness case?