

KANSAS CITY FIELD DEVELOPMENT OFFICE 15050 ANTIOCH ROAD, SUITE 103 OVERLAND PARK, KANSAS 66221 913.402.1020 phone 877.402.1020 toll free 913.402.1023 fax

**RE: Written Testimony on SB 82** 

February 5, 2013

Dear Chairman Apple and Members of the Committee,

EDP Renewables North America LLC ("EDPR") appreciates the opportunity to provide testimony to the Senate Utilities Committee regarding SB 82. EDPR respectfully stands in opposition of this bill.

EDPR is the third largest wind energy developer/owner/operator in the United States. EDPR develops, constructs, owns, and operates wind farms throughout North America; with over 300 employees, 10 offices, and 29 wind farms across the United States, EDPR has developed more than 4,000 megawatts (MW) and operates over 3,800 MW of wind farms. This includes a substantial investment in Kansas.

EDPR owns and operates the 201 MW Meridian Way Wind Farm in Cloud County. Today, both Westar Energy ("Westar") and The Empire District Electric Company ("Empire") purchase clean, renewable electricity from Meridian Way through power purchase agreements (Westar: 96 MW; Empire: 105 MW). This purchased electricity contributes toward both utilities' Renewable Portfolio Standard (RPS) requirements. EDPR has invested over \$340 million in the Meridian Way Wind Farm, and EDPR and the Cloud County Board of County Commissioners have entered into a gift agreement worth \$5.5 million. Construction of Meridian Way created 285 local construction jobs; today, 19 Kansans are employed at the facility. Additionally, local landowners receive substantial royalty payments for the duration of the project.

EDPR maintains its Kansas development pipeline from our Overland Park Development Office. EDPR has nearly 1,000 MW of projects in development in Kansas. EDPR values its presence in Kansas and its relationships with landowners, community leaders, state officials, and power customers, and we look forward to maintaining a strong presence in the state.

Wind energy is cost-competitive with other forms of new electricity generation, including conventional generation such as natural gas and coal. Kansas ratepayers benefit from an increased wind energy portfolio in the state, as Kansas utilities (such as Westar and Empire) are able to procure wind energy at a fixed cost for 20 years or more. Thus, the procurement of wind energy by Kansas utilities provides a hedge against the unpredictable fuel costs associated with conventional generation. Furthermore, wind energy development and operation across the state has created local jobs and provided billions of dollars in economic investment in rural Kansas. Staying the course on the state RPS will allow Kansas to continue creating those jobs and attracting substantial private investment.

The presence of an RPS in Kansas is indicative of the state's commitment to energy security, local and rural economic development, and the interests of its ratepayers. SB 82 would introduce unnecessary regulatory uncertainty and would expose ratepayers to additional price volatility risk. Diminishing the RPS by delaying its benchmarks would be counterproductive. For these reasons, EDPR respectfully opposes SB 82.

Rorik Peterson Josh Bohach Vanessa Kellogg EDP Renewables North America LLC