



Matt Riley
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RE: Testimony In Opposition to SB 253

Chairman Olson and members of the Committee,

Thank you for the opportunity to provide testimony during these important hearings. My name is Matt Riley and I am the Chief Executive Officer of Infinity Wind Power. Infinity has been working in Kansas since our inception in 2008 and we feel strongly that state policies to date have provided the ideal environment for this type of investment. We are responsible for two projects now operating in Kansas totaling more than 271 Megawatts ("MW"), representing a total direct investment of over \$500 Million and substantial indirect economic benefits. In addition, Infinity has an additional 3,500MW under development in the western Kansas region, planned mostly for exporting power to markets farther east.

Wind projects bring significant economic benefits to the surrounding communities and regions. Infinity's projects have created over 400 full time construction jobs and dozens of long term employment opportunities, not to mention the indirect benefits of packed hotel rooms, local restaurants, etc. Millions of dollars every year are paid directly to landowners with operating turbines on their property, in addition to well over \$20 million in PILOT payments paid to the local counties over the life of the projects. Infinity is also investing substantial capital every year with landowners simply for the rights to develop future projects in the region.

The development of a wind project takes several years, and in some cases even longer. Strong and stable local, state, and federal policies are necessary for states like Kansas to attract the type of investment we have seen to date. Kansans are also reaping the rate impact benefits of a RPS by getting inexpensive power. Wind energy is produced for less than \$0.03/kWh in today's PPA environment, which is less than half of your retail rates. This is an important accomplishment



for the wind industry in Kansas; one that would not have been achieved without sound long term policies, including the RPS.

Renewable portfolio standards are often the backbone of a state looking to attract the benefits associated with the wind energy industry. In the case of Kansas, the RPS has established an environment of favorable conditions within which companies like Infinity, BP, Duke Energy, Exelon, NextEra, EDPR, Tradewind and others are willing to make substantial investments, on the order of billions of dollars. With the proper policies in place Kansas can have both a low-cost domestic energy supply while at the same time reaping the economic development benefits of an industry supplying power out of state. Infinity has invested in this concept with the advancement of over 3,500MW in western Kansas specifically designed for export. The projects will be built out in 2018 and beyond, accompanying planned transmission line construction in the state. All told these projects will bring over \$7 billion of new investment and over 5,000 jobs.

The signal Kansas sent to the industry when enacting the RPS was strong, however the signal you would send if you repeal the RPS would potentially be even stronger in the opposite direction. It says to the industry and we're not welcome here anymore; that you don't value a balanced energy future and the natural hedge wind energy provides to other forms of generation that are based on volatile fuel commodities. I can tell you first hand that as a business owner I'm faced with deciding where to place our investment capital on a daily basis. Although Kansas has been a state of preference for Infinity, the surrounding states of Oklahoma, Texas, Nebraska, Missouri, and Iowa, to name a few, are poised to take advantage of an opportunity should Kansas present it. Oklahoma is the prime example, with pro-wind state policies they are expanding wind rapidly and in many cases are already more competitive than Kansas with its current policy environment. With a booming natural gas industry, Oklahoma is showing that a balanced approach of encouraging multiple types of electric generation is the winning solution. My hope is that you see it the same way. Business owners like me, who invest in many states across the U.S., look for sound state and local policies, like we did in 2009 when the Kansas RPS was put in place. So far the industry's reaction to the RPS has been massive economic development, especially in the more rural areas of the state where it is needed most.



With its rate impact cap provision, this RPS is less a mandate than it is a signal. I view a repeal of the RPS as a no win situation for the state of Kansas. Because wind is so cost competitive the utilities are far ahead of their RPS goals, and none of them has opted out of the RPS because of an impact on electricity rates. A repeal of the RPS would not change any utility behavior in the coming years, but would absolutely send a strong negative signal that will likely cripple the emerging export market and all the associated economic development benefits that accompany it. So I ask this committee, if the utilities are meeting and exceeding the RPS goals, then why risk this massive downside by sending such a negative signal? If your overall objective is to create jobs and attract investment to your state, then you should be looking at ways to strengthen the RPS and other policies related to wind energy. Therefore I urge you to vote NO to repeal or modify the state's RPS, and continue to encourage this economic success story.

Thank you very much for your time and attention to this issue.

Kind regards,

A handwritten signature in black ink, appearing to read "Matt Riley".

Matt Riley
Chief Executive Officer, Infinity Wind Power