

## AREA Members and Partners Positively Impact Commissioners

The commissioners were impressed with the number of visitors and thanked those who commented on the impact energy policies in Arkansas have had on their personal and/or corporate lives. More than half of the hearing's visitors were active AREA members seeking "fair and appropriate" public policies promoting business development and the adoption of renewable energy (RE) systems in Arkansas. At the end of formal testimony from the interveners, the commissioners opened the forum to the visitors attending and subsequently heard from a dozen business professionals, retired workers on fixed incomes, and people who have invested in, or want to own a renewable energy system that would help offset or replace their demand for electricity.

Mr. Michael Faught, the CEO of Roberts-McNutt, a corporate member of AREA, told the commissioners he had made a business decision, based on market study and research, to add a solar division to the company list of roofing and waterproofing services provided in Arkansas and six surrounding states. He hired and trained the necessary staff, provided office space and equipment for operations, and advertised the new service at some expense. The company has installed just one solar array in Arkansas over the last 2 years, and that one system is on the roof of their main office in North Little Rock. Roberts-McNutt has reduced the staff to one in their solar division. Mr. Faught believes there is a market for RE in Arkansas, but existing policy has slowed the adoption of the systems.

Mr. Rick Borman, CEO of Greenway, a John Deere dealer with multiple offices in southeast Missouri and northeast Arkansas with a wind power division, invested \$650,000 in start-up capital to help farmers site wind machines in Arkansas. Greenway has since closed the wind division in Arkansas and moved some employees to the North Carolina office. He believes the RE policies in AR have reduced demand for big wind development to zero by placing a restriction on the net-metering facility's capacity to generate electricity. Just one 150 foot wind tower in the appropriate location could potentially produce 1MW; the existing net metering law limits residential at 25kW and commercial at 300kW.

Scharmél Roussel, an active member of AREA and a grandmother living in west Little Rock charmed the commissioners explaining that her RE system provided almost 100% of her energy needs and she noted that it works on cloudy days, although it is more efficient on sunny days. Ms. Roussel noted that Arkansas has lots of sunny days, and the shade from the roof mounted panels has kept her attic cooler, lowering her demand further. She was emphatic as she testified on existing policy that required her to annually forfeit her excess generation without compensation at the end of each calendar year.

Frank Kelly, chairman of AREA and industry consultant, believes the present rules restrict the economic progress and job producing growth of industries interested in developing sources of renewable energy in Arkansas. He pointed out the "real" price we pay for energy generated by large utilities is not counted when debate about grid parity begins; specifically, the hidden costs of producing energy using fossil fuels like coal and natural gas involving human health care and environmental damages. His concerns are amplified by a rising need for energy security nationwide.

Mr. Kelly expressed some frustration with the legislature having spent a great deal of time at the state capitol during the 2009 and 2011 general assemblies. His efforts at the state capitol trying to inform legislators about the economic impact and the benefits to Arkansans was undermined by utility lobbyists who far outnumber and out spend any opposition to their operating decisions.

The mayor of Burdette, a community of less than 200 people in Mississippi County between Blytheville and Osceola, invested \$430,000 dollars in a 50kW wind turbine in 2008. The community leaders were shocked when Entergy, the local energy provider, informed them of the additional costs they would incur in order to commission the system. The utility suggested a 2000 foot line from the wind machine to the existing meter located at the water treatment plant at a cost exceeding \$98,000. The line would match the power output of the wind machine with the energy usage at the treatment facility. This was necessary because the wind machine was sited near an existing electric meter that has limited usage.

In addition to the required infrastructure, the residents of Burdette would also have to buy liability insurance, an additional \$11,000, relieving the utility from responsibility for damages caused by the net metering facility. The mayor expressed feelings of frustration with Entergy, and wanted a change in the rule allowing such contracts with utilities to be an acceptable business practice.

Also testifying on behalf of Burdette, Senator David Burnett, noted the confusion and lack of cooperation the city received from the utility as well as the state. He pledged to work in favor of RE in an aggregation of the meters for city owner locations at future general assemblies.

Several more AREA members, local leaders from the Sierra Club, members of Interfaith Power & Light, and people interested in developing distributed generation for national security, environmental safety, and sources of clean sustainable energy also spoke to the commission about the importance of amending the Arkansas Net Metering Law to remove impediments to the RE business in Arkansas . The comments are part of the public record, available at the Arkansas Public Service Commission, The ASPC office is open Monday- Friday - 8:00am -4:30pm, 1000 Center Street, Little Rock, Arkansas 72201.

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