

RENEW Wisconsin

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February 12, 2010

Senator Mark Miller
State Capitol, Room 317 East
Madison, WI 53707

Representative Spencer Black
State Capitol, Room 210 North
Madison, WI 53708

Dear Senator Miller and Representative Black:

RENEW Wisconsin and our members appreciate the opportunities you created for public input into the Legislature's deliberations on the Clean Energy Jobs Act legislation. Certainly, the more we can ground public discussion in fact, the better the final outcome.

To that end, RENEW is pleased to provide the enclosed copy of an economic analysis that we commissioned. The analysis concludes that special buyback rates (sometimes called Advanced Renewable Tariffs) designed to stimulate small-scale renewable energy installations would have negligible impact on residential utility bills, averaging about \$10 a year. That's less a dollar a month for the typical customer. And it's less than a household's cost of purchasing the smallest block of green power from Madison Gas and Electric, for instance.

Compared with other forms of economic stimulus, promoting small-scale renewables through utility buyback rates would deliver a substantial and long-lasting economic punch with minimal impact on the Wisconsin citizen's pocketbook.

Prepared by Spring Green-based L&S Technical Associates, the study modeled rate impacts from the legislation's provisions for ARTs on the state's five largest utilities. The modeling predicts cost impacts ranging from a low of \$8.12 a year for a residential customer of Wisconsin Public Service to as high as \$11.07 for a Wisconsin Power and Light (Alliant) customer. The projected impact would amount to \$8.81 a year for a We Energies customer, \$9.71 for a Madison Gas and Electric customer, and \$10.11 for an Xcel Energy customer. (Complete study at

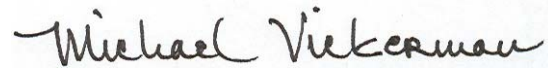
The projections assume that when each utility reaches its maximum threshold of 1.5 percent of total retail sales. In the aggregate, this percentage equates to 1/70th of total annual sales. That's one billion kilowatt-hours a year, out of total annual sales of 70 billion kilowatt-hour.

Though the principals of L&S Technical Associates serve on RENEW's board of directors, they have prepared numerous renewable energy studies for other clients, including the U.S. Department of Energy, Energy Center of Wisconsin, and the Wisconsin Department of Natural

Resources. L&S has also co-authored renewable energy potential studies in response to requests from the Wisconsin Public Service Commission.

The bill's renewable energy buyback provisions would unleash a steady flow of investment that would lead to new economic activity and jobs while moving us toward energy independence – exactly what we all hope to accomplish by passage of the Clean Energy Jobs Act legislation.

Sincerely,

A handwritten signature in black ink that reads "Michael Vickerman". The signature is written in a cursive style and is positioned above the typed name.

Michael Vickerman
Executive Director