

N A R U C National Association of Regulatory Utility Commissioners

December 19, 2017

The Honorable Tim Walberg U.S. House of Representatives 2436 Rayburn House Office Building Washington, DC 20515

Re: H.R. 4476, the "PURPA Modernization Act of 2017"

Dear Representative Walberg:

On behalf of the National Association of Regulatory Utility Commissioners (NARUC), I am writing to express our support for H.R. 4476, the "PURPA Modernization Act of 2017," which you recently introduced. We commend you for your efforts to update the Public Utility Regulatory Policies Act of 1978 (PURPA) to reflect the changes and challenges that have occurred in the electric utility sector since PURPA was enacted.

Since enactment, States and their public utility commissions have dramatically increased the number of renewable resources on the system both through PURPA and through their own State-led initiatives. With the significant proliferation of qualifying facilities (QFs), though, many States have seen a disproportionate rise in the transaction costs for implementing PURPA. Public utility commissions now need to be able to manage the growth in QFs, which as supporters of renewable resources they want to see continue, in ways that ensure rates are affordable for consumers. We believe the provisions in your bill allow us, as public utility commissioners, to accomplish this goal.

While we believe all the reforms in your bill to be positive, specifically, we would like to highlight our support for Section 4. This section would ensure that each State commission has the authority to determine what resources are necessary to provide affordable and reliable service to their electric consumers. There are a number of instances today where State consumers are confronted with paying for power they don't need at prices that are artificially high. This section would address this problem.

We would like to thank you and your staff for taking up the challenge of reforming PURPA. NARUC's members and staff look forward to working with you as the legislative process for H.R. 4476 moves forward.

Sincerely,

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Greg White NARUC Executive Director