



May 27, 2015

The Honorable Phil Berger
President Pro Tempore
North Carolina Senate
16 W. Jones Street, Room 2007
Raleigh, NC 27601-2808

The Honorable Tim Moore
Speaker
North Carolina House of Representatives
16 W. Jones Street, Room 2304
Raleigh, NC 27601-2808

RE: NC H332, Energy Policy Amendments

Dear President Pro Tempore Berger and Speaker Moore:

TechNet is the bipartisan policy and political network of CEOs and senior executives that promotes the innovation economy. As employers and major electricity customers in North Carolina, the undersigned TechNet member companies write today to raise concerns over the energy policy language of H332 (originally found in H760), which we believe would have a significant negative impact on the availability of a clean and diversified energy supply in the state.

As global companies providing services to consumers around the world from our operations in the state, a reliable, sustainable electricity supply is critical, and requires sourcing power from renewable energy. In fact, the right and ability to access power from renewable resources is not merely a goal, but an expectation.

The current policies were put in place after careful consideration and produce significant benefits – something we have seen consistently in states with strong commitments to renewable energy – which include providing sustainable sources of power, diversifying the energy supply, supporting innovation, and providing billions of dollars of in-state economic growth and thousands of jobs throughout the state.

We are concerned the legislation would freeze the Renewable Energy & Energy Efficiency Portfolio Standard (REPS), which provides a steadily increasing baseline of clean energy for the North Carolina grid over time. We believe the REPS should be maintained because our collective experience shows that programs like the REPS can actually *reduce* the overall cost of energy to ratepayers.

In addition, this legislation would drastically lower the size threshold at which renewable energy projects require contracts that are negotiated with the utilities. This proposed change was previously carefully reviewed by the North Carolina Utilities Commission, and rejected. More importantly, by imposing a size limit that is far below the typical size of utility-scale projects, this change would effectively create a barrier to the development of many new projects, and put a chill on investment.

The undersigned companies have chosen to locate in North Carolina in part because the state's existing energy policies enable us to operate and grow our businesses in furtherance of the goals mentioned above. Any change should therefore consider not just protecting, but expanding these benefits, and any changes should include a comprehensive review of energy policies through established, inclusive stakeholder processes.

We respectfully request that the General Assembly not alter the current carefully developed law and policy structure upon which industry has relied for purposes of investment decisions and which has made North Carolina particularly attractive to our businesses. Alterations risk undermining the state's almost decade-long commitment to renewable power and energy efficiency. We support a comprehensive review, in which we would like to participate. In the meantime, to avoid creating new risk and uncertainty for our businesses, we urge you to keep in place the existing, well balanced and meticulously examined energy policy.

Thank you for taking our views into account; we look forward to working with you on these critical issues.

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For more information, please contact Caroline Joiner, Executive Director, TechNet at cjoiner@technet.org