

November 29, 2017

The Honorable Tim Walberg
United States Representative
2436 Rayburn House Office Building
Washington, DC 20515

Dear Representative Walberg:

On behalf of Xcel Energy, I am writing in strong support of H.R. 4477, the PURPA Modernization Act of 2017. We appreciate your leadership in introducing this important legislation to bring about common sense reforms to an outdated statute.

Xcel Energy, headquartered in Minneapolis, provides electric and gas service in eight Western and Midwestern states, including the upper peninsula of Michigan. We are also proud to be the number one utility wind provider for twelve years running. As strong advocates of cost-effective renewable energy, we believe the time is ripe to address abuses of the Public Utility Regulatory Policies Act ("PURPA") and realign its incentives with those that will best serve electric customers.

As I noted in my September 6, 2017 testimony before the Energy Subcommittee of the House Energy and Policy Committee, PURPA, represents an energy policy from another time that is inconsistent with the realities of today. PURPA was adopted almost 40 years ago to encourage states and utilities to grow domestic energy resources. Today, however, PURPA incentivizes developers to build generation that is not needed and site it in locations where it provides no value to the grid. PURPA thwarts the opportunities of other independent power producers. PURPA also enables developers to circumvent state siting rules and pursue avoided cost pricing constructs that are contrary to the best interests of utilities' customers, the people who ultimately pay these higher costs in their electric bills.

We support congressional action to address the issues associated with outdated PURPA requirements. We therefore urge prompt consideration of H.R. 4477.

Sincerely,



Frank P. Prager
Vice President
Policy and Federal Affairs