

Hanafi R. Fraval, AerRock LLC

Re: Please make your comments to the ACC r.e. renewable energy EPS. I had the privilege of serving on the governor's Sustainable Systems Steering Committee. This was a kind of think tank led by Battelle, in which we examined the future direction and emphasis for Arizona. I also recently attended the Tri-University Conference at NAU in Flagstaff on April 24th.

In both of these groups there is strong backing for a substantial increase in the Portfolio Standard, and I am very much in favor of at least 10 percent renewable energy by somewhere between 2010 and 2012, and 20 percent renewable energy by somewhere between 2015 and 2020.

It is interesting that the current 1.1 percent standard has already been filled by projects in the pipeline or onstream. There is little doubt that these targets would be entirely realistic.

But perhaps more importantly, the standard will stimulate and foster some truly dramatic and new technologies that are in the early phase of their development in our state of Arizona. The Sustainable Systems Steering Committee uncovered what an extraordinary opportunity there is for the state of Arizona in developing a sustainable technology base that can lead the rest of the country in many respects. Renewable power generation is one of these.

Raising the Portfolio Standard will create the space and incentive for these technologies to be rapidly developed and demonstrated. These developments could then find themselves deployed in other parts of the country and worldwide. Arizona absolutely needs to back and promote the development of these technologies with the Portfolio Standard as the incentive.

Finally, I strongly endorse the broadening of the application of the Standard to technologies such as biomass, which has recently been demonstrated here in Eagar, and to geothermal, for which there is significant potential in other parts of our state (along with wind and solar).

Our investors have expressed strong interest in participating in the development of these technologies in Arizona, provided that a favorable Portfolio Standard exists. Let us not miss this chance to seize the opportunity and enable Arizona and its strong sustainable-technology base to take a leadership position through the incentive provided by the Portfolio Standard.

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