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# DISGEN

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March 20, 2003

The Honorable John W. Marvel  
Assemblyman, Nevada State Legislator  
PO Box 1270  
Battle Mountain, NV 89820-1270

Dear Assemblyman Marvel,

I am writing to vigorously voice my opposition to Assembly Bill AB372 which "Requires a person who develops or operates renewable energy generation project to obtain a permit from Division of Wildlife under certain circumstances".

As background, please allow me to share with you a bit of my history. I developed the first commercial wind facilities in Texas, Colorado and Pennsylvania. Worldwide, I have led the development of over \$300,000,000 of wind facilities. I have served as the President of the American Wind Energy Association, as an expert on wind energy for the US Department of Justice, as a Wind Energy Program Reviewer for the US Department of Energy and on Colorado Governor Romer's Task Force on Renewable Energy. I was also president of the nation's largest wind company, at the time, for five successful years.

During my fifteen (15) year tenure in the wind industry, I have focused on creating parity for wind energy as it compares to traditional electric generating technologies. The emphasis has been on equality; in tax treatment, permitting processes and access to markets. In my opinion, the proposed AB372 establishes, in the law, discriminatory policies that affect only renewable technologies; in practice a gigantic step backwards for renewables.

Secondly, the tax, cleverly reflected as "fees" to the Division of Wildlife, will by necessity be reflected in a higher price of energy to consumers from the renewable resources. I believe the fees proposed in AB372 are a discriminatory tax to consumers to fund a state agency. It seems to me that such agencies are usually funded by the legislature in its budgeting process.

Lastly and most importantly in my view, the State of Nevada has an excellent permitting process already in place; established by the Utility Environmental Protection Act (UEPA). I have been working in Nevada for several years and have been educated in the

UEPA process and have met personally several times with the Public Utilities Commission (PUC) staff that oversees UEPA. The PUC has introduced me to the staff that manages the consultation process with all the appropriate state agencies. The Division of Wildlife is one of those agencies and, as such, has ample opportunity to voice its concerns. The state officials with whom I have met have been very helpful in educating me and my associates in this area. It is my opinion that adding an additional permitting authority would create redundancy, confusion as to which is the "lead agency" and is not needed as the PUC appears to be doing the job quite well.

In summary, it is my opinion that the proposed AB 372 is ill-conceived public policy. It (i) creates redundancy in a well working system, (ii) it discriminates against and penalizes renewable energy technologies in the proposed levied fees (taxes) and (iii) it creates confusion as to which is the lead agency. Should you decide to have committee hearings on AB 372, I would be pleased to offer my testimony, although I believe this letter presents clearly my views

Should you have any questions concerning this topic or letter, please do not hesitate to call.

Sincerely,



Dale Osborn  
President

Cc: Alan Caldwell