Eugene Buchanan May 31st 2012

To Whom it may concern;

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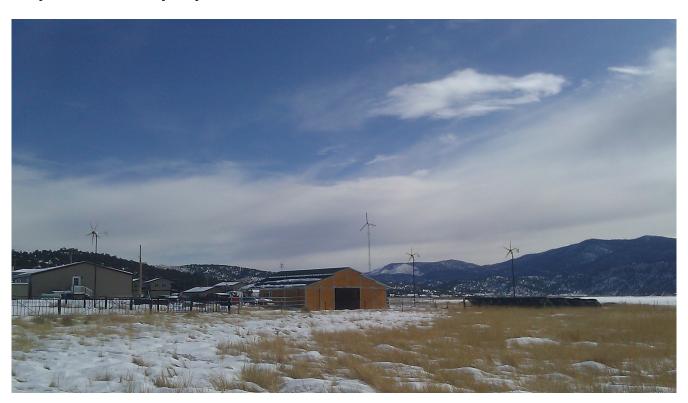
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The new CEC guidelines are severely hampering development of emerging small wind in the California market. Now the CEC cannot give the money away for the overpriced wind cartel turbines offered by the SWCC. The CEC enforcing a \$125k certification fee designed for mega turbines on small wind turbines has made it so only the inner circle has access to the public funds.

Last year we installed three 3000 watt wind turbines with total height of 35' near a Bergey Wind 10k unit with a total height of 90' in Baldwin Lake. See photo. Although we are still working on the curves for the 9 kW system, in April it produces 490 kWh while the 10k Bergey produced 1180 kW. Daily totals on Thursday May 24th were 59 kWh for the 9 kw David verses 80 kWh for the Goliath.



We achieve several milestones with this installation.

An installation at nearly half the cost of the Bergey.

Whisper quiet operation, as compared to neighborhood listening to the Bergey.

Substantially less visual impact, most people don't even see the turbines unless you drive up onto the property verses seeing it from the Highway from across the lake.

We have achieved a new paradigm in small wind, a cost effective turbine that is quiet and productive at neighborhood friendly heights.

Unfortunately this research although done under the spirit of the CEC Emerging Renewables Program

will not benefit most Californian's.

In July Japan is opening it's new Feed in Tariff and have promised \$750,000,000 for wind development. We are gearing up to take advantage of this opportunity and will move our wind operations to Japan.

Instead of extending the rebates for the SWCC cartel for another 6 months, the CEC should offer a deal better than Japan and foster small wind business development in California as the funds paid by the ratepayers were intended.

A Feed in Tariff more lucrative than Japan is the best answer.

Pay for productions is the only way to make the system fair and encourage the innovation needed to meet the legal requirements of having 20 percent of California's energy from renewable resources by 2020.

If you install a good technology in a good area you are rewarded handsomely.

If you install a bad technology or in a non productive area you do not get paid.

We hear the industry veterans cry that they cannot install their turbines without the high upfront rebate. The price regime is the problem, we need competition to make wind products affordable.

Instead of stifling innovation the CEC should meet or beat Japan's offer.

Sincerely,

Eugene Buchanan Vice President GRIDNOT