

Mr. Jeffrey Clark, President The Wind Coalition 3571 Far West Boulevard, #230 Austin, Texas 78731

Via email, Jeff@WindCoalition.org

Dear Mr. Clark;

At your urging, the Step Up Oklahoma Coalition reached out to the wind industry to be a part of productive conversations to help solve Oklahoma's budget crisis. As noted in our invitation letter, we are a group of Oklahoma civic, business and community leaders who came together to offer solutions to significant problems facing our state, including education, healthcare and budget stabilization.

We also stated that, for the sake of our state, it is important that we join together and put aside our differences for the good of our state. As we have experienced with so many others in this process, we were looking forward to a constructive dialogue.

You may recall from the very first conversation we stressed the importance of finding new recurring revenue. And, we made it quite clear that we were open to your ideas for how wind could participate in solving our state's immediate problems. Since that time, we have met on several occasions and have continuously asked for a proposal from the wind industry. To date, we have not received anything that addresses the need for new recurring revenue. Instead, you ignored our request, proffering unworkable proposals meant to reduce local property taxes and shift even more tax burden on the backs of Oklahoma residential utility consumers and other industries.

We came to the table in good faith wanting to engage you and leaders of the out of state wind companies that derive great profits from our state. To our great surprise, however, we learned your lobbyists were working only to derail the Step Up plan. All the while we were meeting with you and your organization, you were executing a stealth campaign with the media to undermine our efforts to help the State of Oklahoma through Step Up Oklahoma. We came to a meeting this past Monday expecting to meet with fellow CEOs per earlier conversations. It didn't happen. Looking back, we now see how we have been purposefully mislead.

We expect you will wage a vigorous campaign against Step Up because you would rather protect your interest than help our teachers, children and elderly. Hardly a sincere gesture on your part.

After four meetings and hours of fruitless discussion, we are quite disappointed. By all accounts; the wind industry has made a calculated decision to offer no reasonable and achievable solutions to help our State address its desperate education, health care, and budget problems.

Jeff, since you live in Texas, you can't relate to the fact our teachers in Oklahoma deserve a pay increase. We sincerely thought you and the wind industry would welcome an opportunity to help us deliver a teacher pay increase as well as fund essential services to stop the closing of rural hospitals and nursing homes across our state.

We recognize that the wind industry will be making claim to hundreds of millions of dollars from our state treasury and taxpayers. In our plan, we proposed a compromise of an \$18 million annual cap to make it more palpable for our state during a time of intense financial pressure. We didn't realize our state has amassed more than \$800 million in tax credits for wind according to Governor Fallin's 2018 budget. The governor's budget also noted that the state is sending roughly \$60 million a year to the wind industry for the next 15 years. We can debate the number; but we all know it is huge. For us Oklahomans, we find it unconscionable that wind refused to work on a plan to provide some relief to help our teachers, children and elderly. The money saved from capping the credit could pay roughly 30% of the \$5,000 pay increase we are seeking for our teachers.

Sadly, it became all too clear the out-of-state wind companies that have taken full advantage of these lucrative incentives, stemming from over a decade of bad policy, would rather keep the status quo than join with Oklahoma business and civic leaders who put their interests aside for the greater good of our state.

The proposed tax on renewable energy represented 3% of the total package, a very minimal portion --a small price to pay to help Oklahoma out of the hole. In our last meeting, surrounded by representatives of your out-of-state member companies, the wind coalition members scoffed at calls for new recurring revenue proposals, caring more about protecting their business interests than helping our struggling State.

As we said numerous times during our multiple meetings, our persistent budget problems require new recurring revenue. Instead, the idea advanced by the wind industry to shift money collected from ad valorem property taxes to the State was a non-starter. Your options would hurt rural schools and counties; that's unacceptable. Additionally, your desire to institute an across the board nameplate capacity tax was also a non-starter.

We did agree our state would benefit from the certainty resulting from solving these problems. However, the lack of finding a wind solution means the certainty your industry said it sought will be elusive for years to come.

Rest assured, the many nonpartisan Oklahomans who want to build a better and stronger state for all Oklahomans will continue to Step Up for our teachers, children and elderly without the participation of the wind industry.

Sincerely,

Glenn Coffee