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Arizona PIRG Education Fund



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March 6, 2009

Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

MAR - 6 2009

Re: Docket Numbers E-00000J-08-0314 and G-00000C-08-0314

DOCKETED BY

Dear members of the Arizona Corporation Commission,

On behalf of the Arizona PIRG Education Fund, I am writing to encourage you to increase effective and efficient energy efficiency program requirements to at least 20% by 2020 as part of the Commission's workshops and the APS rate case.

The Arizona PIRG Education Fund's Principles for the Electric System include the following:

1. **Access** to safe, reliable, affordable electricity service. The goal of electricity regulation should be to provide adequate, reliable service to consumers at the lowest cost – including external costs such as public health, economic and social impacts.
2. **Balance** the long-term and short-term needs of consumers, as well as the interests of various classes of consumers. Electricity rates should be designed to promote economically efficient and socially responsible outcomes – including energy efficiency, rate stability and the protection of low-income consumers.
3. **Consumers** should be assured that the public interest guides all decisions with regard to the electric system. Market and regulatory barriers that deter the use of energy efficiency should be removed. System planning must take place in the public sphere, include ample opportunities for broad public participation in decision-making and ensure that the views of small consumers are adequately represented in the process.

Increasing energy efficiency to at least 20% by 2020 tops the list of achieving the above principles. Energy efficiency is the quickest, cheapest and cleanest way for our state to meet its growing energy needs and to jump-start our economy. Over the last year, headlines of soaring oil prices, a declining market, and national attention to renewable energy have helped elevate the need and desire for increasing energy efficiency.

Although the magnitude of the economic situation in Arizona and across the nation is daunting, energy efficiency offers an immediate, proven and important step consumers and businesses can take to save money, create jobs, stimulate the local economy and reduce overall energy prices.

Energy efficiency costs less than other resources and can help alleviate some transmission and distribution need. The Arizona PIRG Education Fund recognizes that rates may be raised to support an increase of energy efficiency programs; however, we also recognize that effective and efficient energy efficiency programs will save consumers money on their monthly electric bill. The bottom line is that energy efficiency is a good sound investment for Arizona rate payers.

In addition to the cost saving benefits, the Arizona PIRG Education Fund appreciates the air quality and public health benefits created through energy efficiency. With a brown cloud all too often hanging over Phoenix, anticipated population growth in our state generating additional energy and water demands, high asthma and other respiratory illness rates attributed in part to current nonrenewable energy sources, energy efficiency is a clean and healthy solution for Arizona rate payers.

The Arizona PIRG Education Fund is grateful for the opportunity to comment on the Commission's Workshop on Energy Efficiency and the APS rate case. By increasing effective and efficient energy efficiency program requirements to at least 20% by 2020, we will be on the way to an *Energy Efficient Arizona*.

Sincerely,

A handwritten signature in cursive script, appearing to read "Diane", enclosed within a simple circular outline.

Diane E. Brown
Executive Director