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Samantha Omey
Director
State Government Relations

Honeywell
1944 E. Sky Harbor Circle
M/S 2102-406
Phoenix, AZ 85034
602-365-2641 (Dir)
602-365-2490 (Fax)
samantha.omey@honeywell.com

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AZ CORP COMMISSION
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May 4, 2009

Dear Commissioner:

On behalf of Honeywell International, I am writing to you today to express our support for Docket Number E-20633A-08-0513. We are greatly concerned about the future of Solar Service Agreements. Docket Number E20633A-08-0513 is the application by the Solar Alliance for a declaratory order that providers of Solar Service Agreements should not be considered Public Service Corporations (Docket No. E-20633A-08-0513). We believe it is imperative that the Commission rule in favor of the Solar Alliance in this matter.

Solar Service Agreements (SSAs) are critical to the growth of the solar industry and application of solar technology, helping to facilitate the implementation of the Commission's Renewable Energy Standard. In today's credit market, SSAs they offer a viable means to bypass the high up-front capital costs of solar.

The prospect that SSA providers would be regulated as public utilities is tremendously harmful for Arizona. It would place Arizona at a competitive disadvantage and it would discourage SSA providers from staying in this state. Regulation by the Corporation Commission would introduce a level of price uncertainty to a highly competitive market and would eliminate the already thin profit margins of these types of agreements.

As a provider of SSAs, I encourage you to support the application of the Solar Alliance and rule in favor of Docket No. E-20633A-08-0513.

Respectfully,

Samantha A. Omey

Arizona Corporation Commission
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