

ORIGINAL

BEFORE THE ARIZONA CORPORATION C



0000097211

COMMISSIONERS

- Kristin K. Mayes, Chairman
- Gary Pierce
- Sandra D. Kennedy
- Paul Newman
- Bob Stump

RECEIVED

2009 MAY 22 P 2:06

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

MAY 22 2009

DOCKETED BY	<i>[Signature]</i>
-------------	--------------------

IN THE MATTER OF THE APPLICATION OF  
 UNS ELECTRIC, INC. FOR APPROVAL OF ITS  
 DEMAND SIDE MANAGEMENT COMPACT  
 FLOURSCENT LAMP BUY-DOWN PROGRAM

Docket No. E-04204A-08-0341

ACC Decision No. 70556

**Motion to Postpone Some Non-time Critical Decisions**

**Due to Extenuating Conflicts**

**18 May 2009**

This motion request the Commission delay from the 27 and 28 May 2009 Open Meeting until the June 23 and 24, 2009, Open Meeting consideration of the pending Applications, for these matters as follows:

a. UNS Electric Application for Approval to Revise its DSM Surcharge beginning June 1, 2009, Staff Report, of 12 May 2009, and Demand Side Management Surcharge Rider R-2, of 1 May 2009, in ACC Docket E-04204A-06-0783 and ACC Decision No 70360.

b. UNS Electric Request for Additional Funding for CFL Buy-down Program, of 9 April 2009, and UNS Electric Study and Report of Alternative CFL Coupon Program of 12 May 2009, in ACC Docket No E-04204A-08-0341 and ACC Decision No. 70556.

c. UNS Electric Application for Approval of its Billing Estimation Methodologies Tariff, and Staff Report of 12 May 2009, in ACC Docket E-04204A-06-0783 and ACC Decision No. 70360.

**Interest of Marshall Magruder on these three matters.**

As I believe most Commissioners understand, Marshall Magruder maybe one of your most aggressive proponents of energy efficiency and reduced demand. However, I expect and demand, as

1 a ratepayer, that these programs be cost-effective with the greatest benefits for each ratepayer's  
2 dollar. Nothing less is acceptable. These DSM Programs are not utility "corporate welfare" programs  
3 to squeeze ratepayers just for more funds. These are programs to make each utility better in serving  
4 their customers, in saving customers money while delivering a higher quality product, and improving  
5 our environment. Thus, my recommendations will be solely to achieve these goals, as I am a  
6 ratepayer who abhors waste in any form.

7  
8 **Extenuating Conflicts.**

9 This person is participating in several other more time-critical and important cases, all requiring  
10 major actions and filings during May 2009. The Arizona-American Water Rate Case, Docket W/SW-  
11 01030A-08-0227, with Opening and Reply Briefs filed on 1 and 15 May, 2009, and the new Line  
12 Siting Case No. 144, Vail-Valencia 138 kV Transmission Line Upgrade, with pre-hearing conference  
13 on 26 May followed by evidentiary hearings on 2 through 4 June 2009, with all pre-filed testimony and  
14 exhibits due by 26 May, for an application received on 2 May 2009. Neither of these cases can be  
15 delayed. An important Staff Report due on 19 June concerns three issues I raised at the UNS Electric  
16 Rate Case that remain unresolved will involve meetings with Staff before its due date. In addition, to  
17 routine status reports to the Santa Cruz County Board of Supervisors and City of Nogales, and other  
18 issues involve several 1-3 MW solar renewable energy plants being planned for the Sonoita area that  
19 require me to appear before their utility's Board of Directors on 27 May 2009 in Wilcox that directly  
20 conflicts with the May Open Meeting and any delay here might cause loss of stimulus funding.

21  
22 **Issue (a), DSM Surcharge Review.**

23 Upon review of the UNS Electric Semi-Annual DSM Report filed in accordance with the ACC  
24 Order, it was with great displeasure to read the inept and lack of performance by each of these  
25 important DSM programs in the past year. Some met less than 1% of their objective but more  
26 perplexing is the Company's request for greater ratepayer funding with a higher DSM surcharge. A  
27 detailed analysis is essential to comprehend these unsatisfactory results and to determine ways to  
28 turn around these vital programs to not only meet but also exceed anticipated benefits vital to energy  
29 efficiency and demand side management expected of a mature utility in this state. In my opinion, as  
30 an informed ratepayer about these programs, the lack of public awareness is appalling on Santa Cruz  
31 County. This will take several weeks to gather information and make the kind of recommendations in  
32 a proactive-oriented report to the Commission to correct such unsatisfactory performance that takes  
33 some time. This is not a time critical decision as the governing order states on 1 June or later.

34  
35 **Issue (b), Compact Fluorescent Lights Reviews.**

1 Further, on review of the UNS Electric's response of 12 May 2009 to the Commission's order  
2 to assess "coupons" for Compact Fluorescent Light (CFL) bulbs, another detailed response is  
3 merited. This Company report, as expected, dwells on the existing methodology in using ratepayers'  
4 funds to pay others while the coupon approach lets the ratepayer directly see reduced prices. The  
5 cost estimates in the Company's report are fiction, as the sample coupon in my report of 22 July 2008  
6 took maybe 20 minutes to design. It could have been made a bit jazzier with 15 more minutes. Their  
7 analysis shows it would take \$1,875 for a graphic designer to accomplish the same task (p. 10).  
8 There are other errors in this analysis that will require it to be redone. This is a non-time-critical  
9 decision as it is related to the prior DSM Application.

10  
11 **Issue (c), Estimation of Bills.**

12 The estimation of bills, as presented in the ACC Staff Report, needs additional review. Last  
13 week the Company's meter reader read my new TOU meter, installed on 6 May 2009. It appears this  
14 is the 5<sup>th</sup> TOU meter in our county service area! He wrote down the six TOU readouts, as his  
15 "zapper" cannot read TOU meters. He also did not know which readings were for peak, shoulder, or  
16 non-peak hours. In response to the Staff Report, I have gathered the bills and intend to analyze  
17 several years of my personal billing to see the means, deviations, end assess several forecasting  
18 methodologies and statistically determine the "goodness of fit". This may take some time but the  
19 simple formula proposed might not give the valid estimations, especially in areas where there are  
20 major changes from one month to the next. This cannot be even started by 27 or 28 May. Further, a  
21 review of Chairman Mayes letter of 30 January 2009 (in Hot Topic), to APS concerning TOU, shows  
22 just how far behind UNS Electric is when it comes to participating in the "smart" grid later in this  
23 decade and it take more than five TOU meters to accomplish much in that direction. This matter  
24 appears without a critical implementation deadline and a month delay appears minor, compared to  
25 the potential benefits of using the proper statistical methods. It would be most helpful if Staff could  
26 assess other statistical approaches, as there was nothing in the terms of verification or validation of  
27 the simple formula proposed.

28 Respectfully submitted on this 18<sup>th</sup> day of May 2009.

29 MARSHALL MAGRUDER

30 By \_\_\_\_\_

31  
32 Marshall Magruder  
33 PO Box 1267  
34 Tubac, Arizona 85646-1267  
35 (520) 398-8587  
marshall@magruder.org

**Service List**

Original and 17 copies are filed this date:

**Docket Control (13 copies)**  
**Arizona Corporation Commission**  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

**Ernest G. Johnson**, Director Utilities Division (1 copy)  
**Janice Alward**, Chief Legal Counsel (1 copy)  
**Maureen Scott**, Senior Staff Counsel (1 copy)

**Chairman John Foreman, Arizona Power Plant and Line Siting Committee (1 copy)**  
Assistant Attorney General  
Arizona Attorney General Office  
1275 West Washington Street  
Phoenix, AZ 85007

Additional Distribution (1 copy each):

**Michael W. Patten**, Attorney for the Applicant  
Roshka, DeWulf & Patten, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004-2262

**Raymond S. Heyman**, Corporate Counsel  
UniSource Energy Services  
One South Church Avenue, Ste 200  
Tucson, Arizona 85701-1621

**Daniel Pozefsky**, Chief Counsel  
Residential Utility Consumer Office (RUCO)  
1110 West Washington Street, Ste 220  
Phoenix, Arizona 85007-2958

Interested Parties (1 copy each) are filed this date by email:

Santa Cruz County Supervisors:  
**Manny Ruiz**, Chairman  
**Bob Damon**, Supervisor  
**John Maynard**, Supervisor  
Santa Cruz County Complex  
2150 North Congress Drive  
Nogales, Arizona 85621-1090

City of Nogales  
**Jaime Fontes**, City Manager  
**Jose Machado**, Acting City Attorney  
Nogales City Hall  
777 North Grand Avenue  
Nogales, Arizona 85621