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August 21, 2009

Arizona Corporation Commission
DOCKETED

AUG 21 2009

Docket Control
 Arizona Corporation Commission
 1200 West Washington
 Phoenix, Arizona 85007

DOCKETED BY	
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Re: Docket No. E-01345A-09-0263
 In the Matter of Arizona Public Service Company's Request for
 Authorization for Increase in Recovery Guarantee for Production Based
 Incentives for Distributed Renewable Generation Projects

The purpose of this letter is to provide comments from the Arizona School Board Association ("ASBA") and the Arizona Association of School Business Officials ("AASBO") regarding the request of Arizona Public Service Company ("APS") for authorization for an increase in recovery guarantee for production based incentives for distributed renewable generation projects as set forth in APS' supplemental filing dated July 30, 2009.

ASBA and AASBO generally support APS' request to shift, on a one-time-only basis, any unused funds that had been allocated for 2009 for residential distributed energy to public school distributed energy projects. ASBA and AASBO want to emphasize that they support this one-time shift of funds because it makes sense in these difficult economic times to expend funds set aside for renewable energy as soon as possible for public projects like schools where the demand is high. Indeed, some districts would be forced to cancel projects that are currently scheduled and ready to be implemented if the proposed funding shift is not approved.

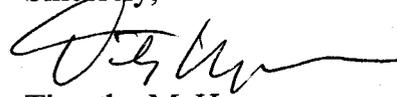
ASBA and AASBO also want to emphasize that they support APS' request on the assumption that residential applications for distributed energy in 2009 will be processed and funded. Only funds that are unused for residential applications should be shifted to projects at public schools.

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Finally, ASBA and AASBO do not support the idea of redefining schools as “residential” for purposes of the RES rules. However, they do support, on a one-time basis, crediting the residential allocation that may be used for public school projects against the RES residential distributed energy requirement if doing so would facilitate the requested shift of funding so that currently scheduled projects can be completed.

In closing, ASBA and AASBO support the request on a limited basis with the exceptions previously noted.

Sincerely,



Timothy M. Hogan
Attorney for Arizona School
Boards Association and Arizona
Association of School Business
Officials

ORIGINAL and thirteen (13) copies
of the foregoing filed this 21st day
of August, 2009, with:

Docket Control
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1200 W. Washington Street
Phoenix, AZ 85007

COPIES of the foregoing mailed
and/or emailed this 21st day of August,
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