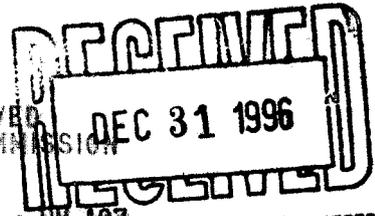




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from the desk of:
Russ and Candyce Binzley
25 Hillside Court
Sedona, AZ 86336



JAN 3 3 40 PM '97

ORIGINAL

Renz Jennings
1200 West Washington Street
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Dear Corporation Commissioner,

Clean energy advocates in Arizona may be on the brink of a new frontier, renewable energy or "green power" may be a option for residents of Arizona with the recent debates over retail electric competition. Public opinion polls have shown that Arizonans prefer renewable energy, such as solar, as much as 75% over more polluting and extractive alternatives. Of these 75% of renewable advocates, half would pay a premium to utilize renewables. In the interest of the Earth and the clean air and water of Arizona we can not trust the free market to take care of the environment. The deregulation procedures which are taking place right now need to focus on the renewable component of retail electric competition, which under the right conditions can be very advantageous to the electric consuming environmentalist and the market.

Arizona is blessed with very abundant renewable resources, primarily sun. The Arizona Corporate Commission needs to take advantage of this moment to take a step in the positive direction for a cleaner and more sustainable environment for generations to come. Proposed in the Rule On Retail Electric Competition is a *Solar Portfolio Standard* calling for at least .5% by Jan. 1, 1999 and 1% by Jan. 1, 2002 of power sold competitively, to come from a solar thermal or photovoltaic source. This requirement is too low, the appropriate market share should be at least 4% and in some cases higher. There is a need to initiate a required renewable infrastructure in the rules infancy, to insure its potential utilization throughout the state.

Under the proposed rule, a electric consumer in Arizona will be able to choose their electricity supplier. While being hooked up to your existing utilities distribution wires, you will have the ability to choose the supplier and pay separate generation, transmission, distribution, and supporting services fees. Much the same as today's long distance telephone industry. This would permit a "green power" supplier very easy access to the retail electric market, thus making the way for positive change, and conscious alternatives. The environmental community also has concerns about other provisions in the proposed rule. The topic of stranded costs is one of concern. Passing the costs of decommissioning, such as the Palo Verde Nuclear Plant on to the retail electric consumer is wrong and this recovery provision needs to be examined and revised so this does not happen at any expense to the incumbent supplier. Low income programs need to be maintained and there needs to be some discussion about the source reliability of suppliers claiming "green power." How can a consumer be or feel confident that a renewable suppliers claim is in fact coming from a green source.

We need to achieve greater investments in clean energy sources which minimize environmental degradation. The environmental facets and externalities should be of main concern in the discussion about the Arizona Corporate Commission Decision No. 59870, the proposed rule on retail electric competition.

Sincerely,

Candyce Binzley
Russ Binzley