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CITY OF  
TUCSON  
GENERAL SERVICES  
DEPARTMENT

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December 20, 2010 2010 DEC 21 A 9:42

ARIZONA CORPORATION COMMISSION  
ACC DOCKET CONTROL  
1200 W Washington  
Phoenix, AZ 85007

Re: Docket No E-00000J-10-0202 in the Matter of the Commission's Inquiry into Aggregated Net Metering for Electrical Services and Possible Modification of Net Metering Rules

Dear Mr. Lloyd:

Please docket the following comments from the Facilities Management Division, General Services Department, City of Tucson (GSD Tucson) in this matter, organized to follow the structure of the staff Programmatic Recommendations:

A. Eligibility Requirements

1. Eligible Customer Classes

As a governmental entity, GSD Tucson would like to participate in this program and is clearly a governmental entity and generally supports this limitation if there is to be a pilot program. Of course, at some point all eligible customers will hopefully be able to participate in Aggregated Net Metering (ANM). The definition is unclear, however, and should be clarified as to whether schools are included or not. There also seems to be no reason why churches and other non-profit entities should not be included in the pilot.

2. Eligible Tariffs

All tariffs should be allowed to participate in a pilot program, but any application of ANM should be within one tariff class.

Arizona Corporation Commission  
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3. Capacity Restrictions

The generating capacity of the connected meters should not be limited to 125% of total load. Rather, any technically feasible and safe interconnection renewable generating capacity should be available to customers. This would be of more import if the contiguous property restriction discussed below were eliminated. This restriction, combined with that restriction, would likely mean that only one City of Tucson site would qualify for ANM, and the size of the PV system would likely be much lower than the maximum possible at that site. The designated capacity limitation proposal with Arizona Corporation Commission (ACC) review is acceptable.

4. Same or Contiguous Property Restriction

GSD Tucson opposes this as unnecessarily and arbitrarily limiting even a pilot program for ANM. This restriction would allow some entities discussed in the workshop such as ranches and churches, which often have more than one meter on the same or adjacent properties to benefit, but unnecessarily restricts other larger entities, such as governments which have varied electric loads at numerous meters scattered over a large area. This would effectively prohibit the City from fully utilizing an ANM pilot program. It is also an unnecessary step, since Arizona Public Service (APS) representatives testified at the workshop that their tariff already includes such a provision and has for years with no impact on their system. See **APS SERVICE SCHEDULE 4: TOTALIZED METERING OF MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE**. Tucson Electric Power should be ordered to include such a provision in their tariffs outside of the ANM context and an actual ANM pilot without such a restriction, or a full ANM program should be set in place.

B. Technical Requirements

GSD Tucson has no concerns with utilizing the current net metering and interconnection technical requirements as recommended.

C. Program Administration

1. Designation of Participating Meters

GSD Tucson agrees with unlimited meter aggregation.

2. Change of Participating Meters

GSD Tucson agrees that utilities can set reasonable change times at least once every six months.

3. Allocation of Excess Generation Credits

GSD Tucson approves of the proposal to first apply generation to the meter connected to the renewable generation facility, then to other connected meters. GSD Tucson believes however, that customers not utilities should decide how to allocate the excess among the additional meters. GSD Tucson does not disagree with the proposal to credit only the kWh portion of an ANM customer's bill. For GSD Tucson, all Rate 40 meters (the bulk

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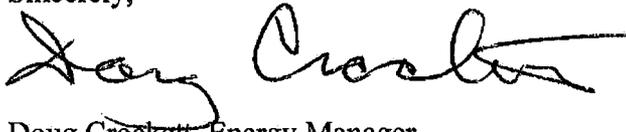
of City meters) receive a bundled rate and thus the full amount of the generated kWh would be offset against those accounts.

**D. Program Costs**

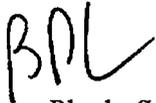
GSD Tucson supports the concept of the ACC allowing utility cost recovery for any provable costs or losses attributable directly to ANM. The burden of showing such costs or losses would be on the utility making that claim.

Thank you for considering these comments. If you have additional questions, please contact Bruce Plenk, Solar Coordinator, at 520-837-6322.

Sincerely,



Doug Crockett, Energy Manager  
Facilities Management



Bruce Plenk, Solar Coordinator  
Facilities Management

RCL:tl:dc:bp:lm

c: Tony Larrivee, Facilities Administrator