

ORIGINAL



0000128412

E-01345A-11-0264

Katherine Nutt

From: Sandra Kennedy
 Sent: Wednesday, August 17, 2011 4:01 PM
 To: Katherine Nutt
 Subject: FW: Reducing Arizona Electricity Rates
 Attachments: RW Beck Report Distributed Renewable Energy, Arizona Voter Solar Public Opinion Research.pdf; APS \$3 Billion Electricity Price Reduction.doc; APS Unethical REC Collection.doc

RECEIVED
 AUG 18 2011
 AZ CORP COMMISSION
 DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

AUG 18 2011

Make sure this gets docketed.

-----Original Message-----

From: Robert Hoskins [mailto:rhoskins@frontpagepr.com]
 Sent: Tuesday, August 16, 2011 7:44 PM
 To: Gary Pierce; Bob Stump; Brenda Burns; Paul Newman; Sandra Kennedy
 Cc: 'Jack Harper'; solarpower-list@meetup.com; ryan.randazzo@arizonarepublic.com;
 dwichner@azstarnet.com; Bob Romantic
 Subject: Reducing Arizona Electricity Rates

DOCKETED BY	
-------------	--

Chairman Pierce/Commissioners:

Tomorrow will be a busy day for the Arizona Corporation Commission.

It will be interesting to see whether the Commission will do what is in the best interests of ratepayers, or will you support the utility companies in their desire to reduce solar incentive programs and prevent the growth of the Arizona solar industry, which has generated a tremendous amount of jobs over the past two years.

We hope that as the Chairman of the Arizona Corporation Commission, you will ask two main questions to each of the Commissioners and every electric utility company in Arizona.

1. If the Arizona Corporation Commission (AZCC) has known in great detail how to save ratepayers billions of dollars by requiring heavy installations of distributed energy solar power arrays per the R.W. Beck report, that was filed with the AZCC back in January 2009, why has the Commission allowed electricity rate increases to continue unabated and allowed decreases in solar rebate programs?
2. If the AZCC is charged with the responsibility of providing Arizonans with a safe environment to raise their families and making sure that every ratepayer is receiving the lowest electricity prices possible, why is every utility company in Arizona being allowed to collect artificially inflated REC statistics by forcing ratepayers to sign over 100% of their RECs, while the utility companies are only paying a fraction of the real world cost for those RECs?

On January 29, 2009, APS submitted a 428-page research study that details how APS could save approximately \$3 billion dollars on fuel costs, on-peak purchased power, line loss associated with electricity transmission, capital expenses of building new power plants and other power generation operating expenses with heavy installations of distributed energy solar power arrays.

Based on the R.W. Beck report, instead of investing more money to burn coal and gas, which is burned once, pollutes the air we breathe, and causes external medical expenses for ratepayers, why is the Commission not requiring the utility companies to invest more in distributed energy solar power arrays that provide 25 years of free clean, electricity? Ratepayers could use a \$3 billion rate reduction.

According to the R.W. Beck report, the AZCC should be requiring APS to generate a minimum of 250,000 megawatt hours per year from clean, free solar electricity.

Instead of asking ratepayers how much extra they would be willing to spend to install solar, the AZCC should be asking how much customers would like to save with heavy deployments of solar power arrays and forcing the utility companies to comply.

The R.W. Beck report clearly shows that the utility companies as well as the AZCC knows how to save billions of dollars by installing solar power. Why in

the heck is the Commission not following the advice provided by APS, the largest electric utility company in Arizona???

And for the record, why would the AZCC even consider the installation of giant solar farms that experience the same transmission line loss problems that all electricity transmission lines lose? Building high density electric transmission lines are extremely cost prohibitive compared to distributed energy solar power arrays.

What are the real costs of mining coal, transporting it, crushing it, burning it and then cleaning the polluted air it creates. What are the external costs to ratepayers for the deaths and lung disease it creates? Coal is said to be cheaper than solar, but how many billions of dollars is being subsidized by the federal government to make it cheap?

The question that should be asked is this. If one set of air scrubbers cost ratepayers \$405 million dollars and never provided a return on investment, how much solar power would be generated over 25 years by investing the same \$405 million in solar power arrays in a single year?

We expect the Republicans to side with the utility companies as you did on your first day in office. It is a shame to see politicians doing what is right for the utility companies that support your political campaigns versus

doing what is in the best interests of the ratepayers that you are sworn to protect via the Arizona Constitution.

If the Commission allows any utility company to reduce their distributed energy solar incentive programs and move money into large scale solar installations that will experience a tremendous line loss during transmission, it will be a sure sign that you are not supporting the constituents that voted you into office.

Simply put, either you favor renewable energy that will create thousands of new Arizona jobs or you support dirty power that pollutes our environment. We certainly hope you ask the right questions and make the right decisions for Arizona.

Best Regards,
Robert Hoskins
Executive Director
602-326-0940
Arizona Solar Power Society
www.arizonasolarsociety.com