

ORIGINAL

OPEN MEETING AGENDA ITEM



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AZ CORP COMMISSION
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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

- 9 GARY PIERCE – CHAIRMAN
- 10 BOB STUMP
- 11 SANDRA D. KENNEDY
- 12 PAUL NEWMAN
- 13 BRENDA BURNS

14 IN THE MATTER OF THE APPLICATION OF
15 SOUTHWEST GAS CORPORATION FOR THE
16 ESTABLISHMENT OF JUST AND REASONABLE
17 RATES AND CHARGES DESIGNED TO
18 REALIZE A REASONABLE RATE OF RETURN
19 ON THE FAIR VALUE OF ITS PROPERTIES
20 THROUGHOUT ARIZONA.

Docket No. G-01551A-10-0458

**NOTICE OF FILING SOUTHWEST
ENERGY EFFICIENCY PROJECT
COMMENTS**

21 Southwest Energy Efficiency Project (“SWEEP”), through its undersigned counsel,
22 hereby provides notice that it has this day filed the attached comments of SWEEP in response
23 to the Report and Recommended Order filed by Staff on September 30, 2011, regarding
24 Southwest Gas Corporation’s Modified Energy Efficiency and Renewable Energy Resource
25 Technology Portfolio Implementation Plan.

1 DATED 1st day of November, 2011.

2 ARIZONA CENTER FOR LAW
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4 By 

5 Timothy M. Hogan
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10 Attorneys for Southwest Energy
11 Efficiency Project

11 ORIGINAL and 13 COPIES of the
12 foregoing filed this 1st day of
13 November, 2011 with:

14 Docketing Supervisor
15 Docket Control
16 Arizona Corporation Commission
17 1200 W. Washington
18 Phoenix, AZ 85007

19 COPIES of the foregoing
20 electronically mailed this
21 1st day of November, 2011 to:

22 All Parties of Record

23 By: 

1 The Southwest Energy Efficiency Project (“SWEET”) appreciates the opportunity to submit the
2 following comments in response to the Report and Recommended Order filed by Staff on September
3 30, 2011, regarding Southwest Gas Corporation’s (“Southwest” or “Company”) Modified Energy
4 Efficiency and Renewable Energy Resource Technology Portfolio Implementation Plan (“Modified
5 Plan”).
6

7 **1. The Modified Plan Provides Significant and Cost-Effective Benefits for Southwest Gas**
8 **Customers and is in the Public Interest**

9 The programs in the Modified Plan will provide significant and cost-effective benefits for
10 Southwest Gas customers. They will save residents and businesses money through lower
11 energy bills, resulting in lower total costs for customers, and they will help to mitigate fuel
12 price increases and reduce customer vulnerability and exposure to natural gas price volatility.

13 The programs will also provide important benefits for the economy and the environment.
14

15 **2. The Modified Plan Should be Approved Without Delay**

16 The Modified Plan should be approved and implemented without delay so that customers
17 receive the utility bill reductions and other benefits of the cost-effective natural gas energy
18 efficiency (EE) programs as soon as possible, on or before the date the Commission votes on
19 the proposed Settlement Agreement in this docket.
20

21 **3. The Proposed Energy Savings from Energy Efficiency Programs Should be Increased by**
22 **75,000 Therms to Meet the Minimum Terms of the Settlement Agreement**

23 Section 5.8 of the proposed Settlement Agreement requires at least 1,250,000 therms of
24 annual energy savings from energy efficiency (EE) within nine months of Commission
25 approval of the Modified Plan:

26 “The modified EE and RET Plan shall result in an incremental improvement of EE
27 that exceeds the current Southwest Gas approved portfolio budget of \$4.4 million, and
28

1 that results in customer annual energy savings of at least 1,250,000 therms within nine
2 months of Commission approval of the modified Plan.” (Section 5.8).

3 According to SWEEP’s calculations, in order to meet the minimum terms of the Settlement
4 Agreement, an additional 75,000 therms of annual energy savings from EE will be required,
5 as shown in the table below.
6

EE Program	Projected Annual Energy Savings from EE Within Nine Months (Therms)
<i>Smarter, Greener, Better Residential Rebates</i>	261,000
<i>Smarter, Greener, Better Homes</i>	241,000
<i>Smarter, Greener, Better Business Rebates</i>	223,000
<i>Smarter, Greener, Better Custom Business Rebates</i>	54,000
<i>Smarter, Greener, Better Distributed Generation</i>	250,000
<i>Smarter, Greener, Better Low-Income Energy Conservation</i>	21,000
<i>Smarter, Greener, Better Residential Conservation Behavior</i>	125,000
TOTAL	1,175,000
DIFFERENCE BETWEEN TOTAL EE SAVINGS AND EE SAVINGS REQUIRED BY SETTLEMENT AGREEMENT	75,000

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15 SWEEP recommends increasing the budget of the *Smarter, Greener, Better Custom Business*
16 *Rebates Program* to achieve the additional EE savings required by the Settlement Agreement.
17 This Program delivers annual energy savings in a very cost-effective manner, and it will
18 empower business owners and energy managers to work with the Company to identify and
19 make energy efficiency improvements, thereby reducing their energy costs and increasing
20 their economic competitiveness.
21

22 Thank you for the opportunity to submit these comments on the Modified Plan
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