

OPEN MEETING AGENDA ITEM

Tucson Electric Power E-01933A-11-0269



0000131625

Antonio Gill

From: soazhomes@gmail.com on behalf of Matt Ault [matt@mattault.com]
Sent: Monday, November 07, 2011 8:10 AM
To: Antonio Gill
Subject: TEP REST Plan

ORIGINAL

RECEIVED

2011 NOV -9 P 2:14

AZ CORP COMMISSION
DOCKET CONTROL

4 November 2011

Arizona Corporation Commission

DOCKETED

NOV 9 2011

DOCKETED BY

PSX

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump

Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

This letter is to voice my growing concern about the potential for the Arizona Corporation Commission to require less solar to be installed on homes and businesses in TEP service territory over the next four years.

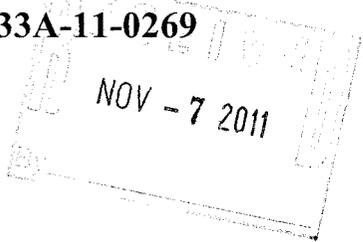
I understand that as the cost of solar has decreased significantly over the last few years the TEP incentives have dropped from \$3/watt to \$2/watt and are continuing to go down because less up front incentive is required to make solar a good long-term investment. This should mean that for every dollar I pay into the R.E.S.T. surcharge, MORE solar will be installed going forward than was installed last year, the year before, etc. - which I wholeheartedly support.

I want to specifically let you know that as a member of the rate-paying public I am comfortable with the amount of surcharge I currently pay, and rather than have that charge be reduced, I would like to see the amount of solar installed each year in Tucson increase (rather than decrease) In fact, I would support an increased charge and a 30% renewable by 2025 requirement statewide if it were possible. Arizona could actually lead the nation in a socially positive category.

I would be extremely disappointed to hear that the Commission reduced the surcharge I pay in order to decrease the amount of solar being installed each year, as it does not make any sense to me to support growth in a positive direction for a few years, then support policy certain to result in a substantial decline, only to incent significant growth again four years later. The industry needs steady government support, not wild fluctuations year to year and if anything a graduated incentive level that reduced the amount paid on leased installations would make more sense as a favorably equitable option to ALL parties, given that those loophole financing tools were primarily responsible for exhausting the 2011 TEP budget almost 4 months early. We need less tricky, crafty tax accounting that benefits corporations and only a small portion of the citizenry in our society, not more.

In closing it is my - and many Arizonans' belief - that we in Arizona should lead the nation in solar adoption. I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels or greater of new solar installations each year.

Tucson Electric Power E-01933A-11-0269



[Date]

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

The purpose of this letter is to let you know that I am concerned about the potential for the Arizona Corporation Commission to require less solar to be installed on homes and businesses in Tucson over the next four years.

The cost of solar has decreased significantly over the last few years, and the incentives have dropped from \$3/watt to \$2/watt, and are continuing to go down. I understand that lower incentives are required now to make solar a good investment. This should mean that for every dollar I pay into the REST surcharge, more solar will be installed than was installed last year, and the year before.

I want to let you know that I am comfortable with the amount of surcharge I currently pay (\$4.50 per month maximum) and rather than have that charge be reduced, I would like to see the amount of solar installed each year in Tucson increase instead of decrease.

I would be extremely disappointed to hear that the Commission reduced the surcharge I pay in order to decrease the amount of solar being installed each year.

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, I would like to see the commission remedy this situation. It does not make any sense to me to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The industry needs steady support, not wild fluctuations year to year.

Arizona should lead the nation in solar adoption, and I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels, or close to current levels of new solar installations each year.

Sincerely,

Rolf Ziegler
8663 N. Maya Ct
Tucson, AZ 85742
rolf@email.arizona.edu

DANIEL PATTERSON
1700 WEST WASHINGTON, SUITE H
PHOENIX, ARIZONA 85007-2844
CAPITOL PHONE: (602)-926-5342
CAPITOL FAX: (602)-417-3169
TOLL FREE: 1-800-352-8404
dpatterson@azleg.gov



COMMITTEES:
ENERGY AND NATURAL RESOURCES,
RANKING MEMBER
EMPLOYMENT AND REGULATORY
AFFAIRS

DISTRICT 29

Arizona House of Representatives
Phoenix, Arizona 85007

November 4, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman and Commissioners:

We are writing this letter to express our concern about the Arizona Corporation Commission's proposal that reduces the amount of solar systems to be installed on homes and businesses in Tucson over the next four years.

We believe that the REST surcharge is a good policy that provides clean energy to our homes and businesses. We would like to see an increase in the amount of solar systems installed in Tucson every year. The REST surcharge can make this a reality. We would be extremely disappointed to hear that the Commission reduced the surcharge in order to decrease the amount of solar being installed.

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, we would like to see the Commission remedy this situation. It does not make any sense to us to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The solar industry needs steady support, not wild fluctuations year to year.

Tucson is a Solar City and has embraced solar installations as our future. Solar energy is not only good for the southern Arizona economy; it is also good for the environment. Solar energy offers electricity which does not consume water, nor add pollutants to the

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission
November 4, 2011

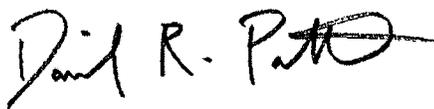
Page 2

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

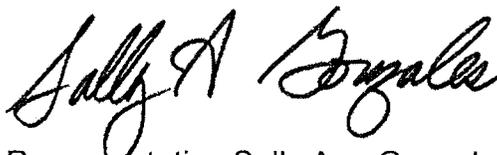
air we breathe. Adopting solar within our community allows us to become better stewards of the planet and creates a diversified economy.

Arizona should lead the nation in solar adoption, and we do not want to see less solar installed each year in southern Arizona. We hope that you will vote to support current levels, or close to current levels of new solar installations each year.

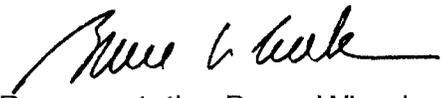
Sincerely,



Representative Daniel R. Patterson
Energy and Natural Resources
Ranking Member
Legislative District 29



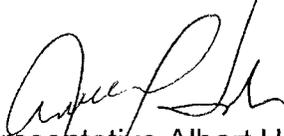
Representative Sally Ann Gonzales
Legislative District 27



Representative Bruce Wheeler
Legislative District 28



Representative Ben Arredondo
Legislative District 17



Representative Albert Hale
Legislative District 2

November 8, 2011

Chairman Gary Pierce

Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007
Phone: 602.542.3933
Fax: 602.542.5560

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Mr. Pierce,

The purpose of this letter is to let you know that I am concerned about the potential for the Arizona Corporation Commission to reduce the incentives for solar to be installed on homes and businesses in Tucson over the next four years.

The cost of solar has decreased significantly over the last few years, and the incentives have dropped from \$3/watt to \$2/watt, and are continuing to go down. I understand that less incentives are required now to make solar a good investment. This should mean that for every dollar I pay into the REST surcharge, more solar will be installed than was installed last year, and the year before.

Solar energy is not only good for the southern Arizona economy, it is also good for the environment. I am very concerned about the long term environmental impacts of mining and burning coal. Solar offers electricity which does not consume water, nor add pollutants to the air we breathe. Adopting solar within our community allows us to become better stewards of the planet we all inhabit.

It is important to me to know that the money I am paying to TEP to fund solar is available to customers to install solar at their homes and businesses. I do not want to see that money go entirely or almost entirely to utility owned or utility scale projects.

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, I would like to see the commission remedy this situation. It does not make any sense to me to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The industry needs steady support, not wild fluctuations year to year.

Arizona should lead the nation in solar adoption, and I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels, or close to current levels of new solar installations each year.

Sincerely,



Teri J. H. Marsh

[REDACTED]

Tucson, AZ 85704

[REDACTED]

Antonio Gill

From: Kevin Concagh [kjconcagh@gmail.com]
Sent: Tuesday, November 01, 2011 6:04 AM
To: Pierce-Web; Burns-wab@azcc.gov; Stump-Web; Newman-Web; Kennedy-Web
Subject: RE: 2012 REST Implementation Plan

Dear Chairman & Commissioners:

I would like to take this opportunity to make clear my concern with the 2012 implementation plan for TEP. In brief, I am concerned about the drop in incentives for the commercial market this year, and I am even more concerned about the drop in residential and commercial incentives in the following years. I would like to urge the commission to address both the short term drop in commercial incentives, and the long term drop in overall distributed generation incentives. I hope you will support the compliance floor suggested by SASSB, and that you will consider maintaining the same surcharge amounts currently in place. The compliance floor will have the following benefits to the commission:

Maintain momentum in the local solar industry

Prevent a significant number of stranded systems (whose installers have gone out of business)

Retain brain trust for the solar industry

Prevent a significant loss of faith in solar by the public due to negative press regarding the convergence of manufacturers and local installers both going out of business

Provide steady progress toward attainment of the 2025 REST goals, as opposed to rampant growth and high program costs in 2016 and 2017 due to the high number of systems required at that time.

Please adopt the following amendment language:

"The company will fund a minimum of 25,000 MWH of new customer sited distributed generation each year. The company will reserve funds to meet compliance targets within residential and non-residential categories and any difference between compliance and the needed MWHs required to reach the 25,000 MWH floor will be split equally between the residential and non-residential market segments."

Although it is a secondary issue, I also want to voice my opinion that a leasing differential of \$0.50 makes sense in the TEP service territory. This differential would not have an adverse impact on the budget, or on leasing companies, because a cash purchase at the higher incentive would still cost a customer significantly more than a 100% prepaid lease. The main thing the lease differential provides is resiliency in the event that the leasing market changes for the worse. This model has gained market share so rapidly, and is dependent on multiple variables (available investment capital, IRS guidance and policies, the existence of the 1603 treasury grant, etc.) such that basing future REST attainment on this financing vehicle alone is a significant risk.

Please feel free to contact me for further discussion or questions at :

Kevin Concagh

November 2, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

We are writing this letter to let you know that we are concerned about the potential for the Arizona Corporation Commission to support less solar installations on homes and businesses in Tucson over the next four years.

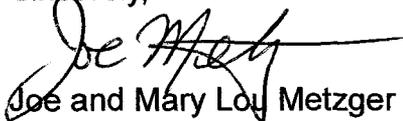
We want you to know that we are comfortable with the surcharge we are currently paying (\$4.50 per month maximum). We fear that if that charge is reduced, the amount of solar installed each year in Tucson would decrease.

It does not make any sense to us that the ACC would support growth for a few years, then have support decrease over 60%, and then incentivize significant growth again four years later. The industry needs steady support, not wild fluctuations year to year.

Arizona should lead the nation in solar adoption, and we do not want to see less solar installed each year in southern Arizona. We hope that you will vote to support current levels of new solar installations each year.

We have installed solar on our home, and we do not want to see the number of new systems drop as much as 67% over the next four years. We are concerned that this would cause the installer who warranties and maintains our system to go out of business, resulting in us being unable to keep our system operating properly.

Sincerely,



Joe and Mary Lou Metzger
2610 N Castle Rock Dr
Tucson, AZ 85749
(520) 760-8248
jmetzger46@gmail.com

November 8, 2011

Chairman Gary Pierce

Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007
Fax: 602 542 5560

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Mr. Pierce,

The purpose of this letter is to let you know that I am concerned about the potential for the Arizona Corporation Commission to reduce the incentives for solar to be installed on homes and businesses in Tucson over the next four years.

You should know that I am a Republican, and I feel that solar is a non-partisan issue which deserves our support. I would be very disappointed if the amount of new solar installed each year decreased. I view solar as a strong economic engine for the US and for Arizona, as well as a smart way to invest in the future of our country.

The cost of solar has decreased significantly over the last few years, and the incentives have dropped from \$3/watt to \$2/watt, and are continuing to go down. I understand that less incentives are required now to make solar a good investment. This should mean that for every dollar I pay into the REST surcharge, more solar will be installed than was installed last year, and the year before.

Solar energy is not only good for the southern Arizona economy, it is also good for the environment. I am very concerned about the long term environmental impacts of mining and burning coal. Solar offers electricity which does not consume water, nor add pollutants to the air we breathe. Adopting solar within our community allows us to become better stewards of the planet we all inhabit.

It is important to me to know that the money I am paying to TEP to fund solar is available to customers to install solar at their homes and businesses. I do not want to see that money go entirely or almost entirely to utility owned or utility scale projects.

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, I would like to see the commission remedy this situation. It does not make any sense to me to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The industry needs steady support, not wild fluctuations year to year.

Arizona should lead the nation in solar adoption, and I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels, or close to current levels of new solar installations each year.

Sincerely,



Philip C. Marsh

325 E. Morning Sun Ct.

Tucson, AZ 85704

520-742-2997

November 2, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP

Dear Chairman & Commissioners:

I am extremely concerned about the current 2012 REST Implementation Plan for TEP, in particular the planned drop in future installation incentives 2013-2015, and feel that this is a short sighted policy that will be a detriment to the local solar industry. My company provides over \$150,000 in payroll that is primarily spent here in Arizona, with four full time employees counting on smart decisions by the ACC regarding their future careers!

I would like to urge the commission to address the long term drop in overall distributed generation incentives. I hope you will support the compliance floor suggested by SASSB, and that you will consider maintaining the same surcharge amounts currently in place.

The compliance floor will have the following benefits to the commission:

- o Maintain momentum in the local solar industry
- o Prevent a significant number of stranded systems (whose installers have gone out of business)
- o Retain brain trust for the solar industry
- o Prevent a significant loss of faith in solar by the public due to negative press regarding the convergence of manufacturers and local installers both going out of business
- o Provide steady progress toward attainment of the 2025 REST goals, as opposed to rampant growth and high program costs in 2016 and 2017 due to the high number of systems required at that time.

Please adopt the following amendment language:

“The company will fund a minimum of 25,000 MWH of new customer sited distributed generation each year. The company will reserve funds to meet compliance targets within residential and non-residential categories and any difference between compliance and the needed MWHs required to reach the 25,000 MWH floor will be split equally between the residential and non-residential market segments.”

Although it is a secondary issue, I also want to voice my opinion that a leasing differential of \$0.50 makes sense in the TEP service territory. This differential would not have an adverse impact on the budget, or on leasing companies, because a cash purchase at the higher incentive would still cost a customer significantly more than a 100% prepaid lease. The main thing the lease differential provides is resiliency in the event that the leasing market changes for the worse. This model has gained market share so rapidly, and is dependent on

2 October, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

The purpose of this letter is to let you know that I am concerned about the potential for the Arizona Corporation Commission to require less solar to be installed on homes and businesses in Tucson over the next four years.

The cost of solar has decreased significantly over the last few years, and the incentives have dropped from \$3/watt to \$2/watt, and are continuing to go down. *Less incentives are required now to make solar a good investment, which should mean that for every dollar I pay into the REST surcharge, more solar will be installed than was installed last year, and the year before.*

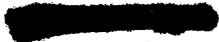
I want you know that I am comfortable with the amount of surcharge I currently pay (\$4.50 per month maximum) and rather than have that charge be reduced, I would like to see the amount of solar installed each year in Tucson increase. I would be extremely disappointed to hear that the Commission reduced the surcharge in order to decrease the amount of solar being installed each year. *It is very important to me to know that the money I am paying to TEP to fund solar is available to customers to install solar at their homes and businesses. I absolutely do not want to see that money go entirely or almost entirely to utility owned or utility scale projects.*

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, I would like to see the commission remedy this situation. It does not make any sense to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The industry needs steady support, not wild fluctuations year to year.

Solar energy is not only good for the southern Arizona economy, it is also good for the environment. I am very concerned about the long term environmental impacts of mining and burning coal. Solar offers electricity which does not consume water, nor add pollutants to the air we breathe. Adopting solar within our community allows us to become better stewards of the planet we all inhabit. Arizona should lead the nation in solar adoption, and I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels, or close to current levels, of new solar installations each year.

Sincerely,

Camille Kershner


camillekershner@hotmail.com

"be the change you wish to see in the world..." ~Gandhi

multiple variables (available investment capital, IRS guidance and policies, the existence of the 1603 treasury grant, etc.) such that basing future REST attainment on this financing vehicle alone is a significant risk.

Please feel free to contact me for further discussion or questions at 520-247-3060.

Sincerely,
Jeff Shoemaker, owner
Custom Solar and Leisure LLC

A handwritten signature in black ink, appearing to read 'Jeff Shoemaker', written in a cursive style.

Antonio Gill

From: fritz neuhauser [fritzncarla@gmail.com]
Sent: Tuesday, November 01, 2011 9:30 PM
To: Pierce-Web
Subject: solar

Dear Gary Pierce,

I am writing you in concern over the proposed decreases to residential solar incentives for TEP. I strongly feel that residential solar should be promoted even more than it has been. Incentives from the power companies as well as tax credits help many people "go solar". However, I see a way that solar can be promoted that would convince many more people to go solar who are not necessarily "green" minded.

Everyone is well aware that solar does not pollute by burning gas, oil, or coal; does not dam rivers and flood valleys; does not create noise and require constant maintenance like wind turbines do; or produce radioactive waste. What solar does do is MAKE MONEY! A \$36,000 system will produce well over \$100 of electricity EVERY MONTH and even more than \$100 as the power rates go up. I am not a financial genius, but I do know that \$75,000 makes less than \$20 a month in a money market account at today's rates; about \$25 a month in a CD; and slightly more in bonds or securities which are unstable.

So, if someone with access to the public debate could talk DOLLARS to the average person who has some invested savings, they would probably sign up for solar en masse ! With the power companies' incentives and the tax credits presently available, a \$36,000 system ends up costing the homeowner/investor about \$14-15,000 and earns over \$100 a month - at least! Put in those terms, it is a no-brainer for anyone who has a home they plan on staying in.

Please help make Arizona "The Solar State" and keep TEPs residential solar incentives to at least at their 2011 levels, if not more. Help the solar industry and installers in Arizona thrive and stay in business so that they can advance the "go solar" agenda that any thinking person should support in sunny Arizona. Thank you for your service.

Fritz and Carla Neuhauser
Tucson, AZ


November 4, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP

Dear Chairman & Commissioners:

I would like to take this opportunity to make clear my concern with the 2012 implementation plan for TEP. In brief, I am concerned about the drop in incentives for the commercial market this year, and I am even more concerned about the drop in residential and commercial incentives in the following years.

I have worked in the solar industry since in Arizona since 2003. In that time, I have seen the industry mature, with a rising standard of technical and business professionalism displayed. A number of new companies have been founded, providing valuable jobs that support our Arizona communities in a time of economic hardship.

The 2012 implementation plan, with a projected drop in 2013 to 64% of 2012 installation levels for the residential sector, and precipitous drop in commercial installation levels, will undoubtedly cause the loss of Arizona jobs. As a second-generation solar energy professional, I have seen the significant damage that such job losses cause to an industry. Orphaned systems, relocation of qualified professionals, and unhappy consumers will surely result. Although this implementation plan may meet short-term goals, it does not serve the best interest of the utility ratepayers and citizens of Arizona, as we look the long-term goals of Arizona's Renewable Energy Standard.

I would like to urge the commission to address both the short term drop in commercial incentives, and the long-term drop in overall distributed generation incentives. I hope you will support the compliance floor suggested by SASSB, and that you will consider maintaining the same surcharge amounts currently in place.

The compliance floor will have the following benefits to the commission:

- Maintain momentum in the local solar industry
- Prevent a significant number of stranded systems (whose installers have gone out of business)
- Retain brain trust for the solar industry
- Prevent a significant loss of faith in solar by the public due to negative press regarding the convergence of manufacturers and local installers both going out of business

- Provide steady progress toward attainment of the 2025 REST goals, as opposed to rampant growth and high program costs in 2016 and 2017 due to the high number of systems required at that time.

Please adopt the following amendment language:

“The company will fund a minimum of 25,000 MWH of new customer sited distributed generation each year. The company will reserve funds to meet compliance targets within residential and non-residential categories and any difference between compliance and the needed MWHs required to reach the 25,000 MWH floor will be split equally between the residential and non-residential market segments.”

Although it is a secondary issue, I also want to voice my opinion that a leasing differential of \$0.50 makes sense in the TEP service territory. This differential would not have an adverse impact on the budget, or on leasing companies, because a cash purchase at the higher incentive would still cost a customer significantly more than a 100% prepaid lease. The main benefit a lease differential provides is resiliency in the event that the leasing market changes for the worse. This model has gained market share extremely rapidly, and is dependent on multiple variables (available investment capital, IRS guidance and policies, the existence of the 1603 treasury grant, etc.) such that basing future REST attainment on this financing vehicle alone is a significant risk.

Please feel free to contact me for further discussion or questions at 520.237.5040, or louis@netzerosolar.net.

Sincerely,



Louis Woofenden

Engineering Director
Net Zero Solar, LLC
101. W. 5th St., Tucson, AZ 85705
Arizona ROC #248710, 259756, 259521

Phone: 520.237.5040
Fax: 520.203.7230
E-mail: louis@netzerosolar.net

NABCEP Certified Solar PV Installer™
NABCEP Certified Solar Thermal Installer™

November 1, 2011

Chairman Gary Pierce
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman Pierce:

The purpose of this letter is to let you know that we are concerned that the Arizona Corporation Commission may require less solar to be installed on Tucson homes and businesses over the next four years.

The cost of solar has decreased significantly over the last few years, and the incentives have dropped from \$3/watt to \$2/watt, and are continuing to go down. We understand that lower incentives are required now to make solar a good investment. This should mean that for every dollar we pay into the REST surcharge, more solar will be installed than was installed last year, and the year before.

We want to let you know that we are comfortable with the amount of surcharge we currently pay (\$4.50 per month maximum) and rather than have that charge be reduced, we would like to see the amount of solar installed each year in Tucson increase instead of decrease. We would be extremely disappointed to hear that the Commission reduced the surcharge we pay in order to decrease the amount of solar being installed each year.

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, we would like to see the commission remedy this situation. It does not make any sense to us to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The solar industry needs steady support, not wild fluctuations year to year.

We believe Arizona should lead the nation in solar adoption, and we do not want to see less solar installed each year in southern Arizona. We hope that you will vote to support current levels, or close to current levels of new solar installations each year to help keep Arizona and its solar industry moving in a positive direction.

Sincerely,



Greg & Beth Lynch

8055 S. Camino Mirlo, Tucson, AZ. 85747

Phone: 520/647-3614, email: greg.lynch@ecvs-inc.com

3 November 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman and Commissioners:

We are concerned about the potential for the Arizona Corporation Commission to require less solar to be installed on homes and businesses in Tucson over the next four years. The cost of solar has decreased significantly over the last few years, and the incentives have dropped and are continuing to go down. We understand that lower incentives are required now to make solar a good investment.

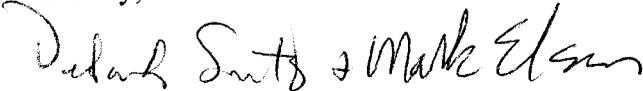
This should mean that for every dollar we pay into the REST surcharge, more solar will be installed than was installed last year, and the year before. Further, it is important to us to know that the money we are paying TEP to fund solar is available to customers to install solar on their homes and businesses. We do not want to see that money go entirely or almost entirely to utility owned or utility scale projects.

We are comfortable with the amount of surcharge we currently pay (\$4.50 per month maximum) and rather than have that charge be reduced, we would like to see the amount of solar installed each year in Tucson increase instead of decrease. We would be extremely disappointed to hear that the Commission reduced the surcharge we pay in order to decrease the amount of solar being installed each year.

As we understand how it stands presently, there is the potential for support to decline 60+% in the next three years, only to add incentives for significant growth again in the fourth year. This does not make any sense to us. The industry needs steady support, not wild fluctuations year to year.

Arizona should lead the nation in solar adoption, which does not mean less solar installed each year in southern Arizona. We hope that you will vote to support current levels, or close to current levels of new solar installations each year.

Sincerely,



Deborah Swartz and Mark Elson
2855 W. Tippecanoe Trail
Tucson, AZ 85745
debbie@desert.com



ANIMAL HEALTH
HOSPITAL, P.C.

11/3/2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

I am a small business owner that has installed a 21 kWh system on my business that covers 80% of my electrical usage and I have installed a 6.09 kWh system on my house that covers 100% of my electrical usage. I feel that this investment made by myself, the State of Arizona and the federal government makes sense on numerous fronts: 1) Decreased use of carbon based electricity is good for the environment. 2) My utility bills are much lower. My portion of the investment will be paid off in 4 ½ to 5 years at current electricity rates. 3) Investment in solar energy is good for our economy. Solar manufacturers and installers continue to add jobs to our shaky economy. 4) Increased local solar adoption decreases our reliance on an expensive and outdated grid.

The purpose of this letter is to let you know that I am concerned about the potential for the Arizona Corporation Commission to require less solar to be installed on homes and businesses in Tucson over the next four years.

The cost of solar has decreased significantly over the last few years, and the incentives have dropped from \$3/watt to \$2/watt, and are continuing to go down. I understand that less incentives are required now to make solar a good investment. This should mean that for every dollar I pay into the REST surcharge, more solar will be installed than was installed last year, and the year before.

2560 S. Harrison Rd.
Tucson, Arizona 85748
(520) 885-2364



Member: American Animal Hospital Association



ANIMAL HEALTH
HOSPITAL, P.C.

I want to let you know that I am comfortable with the amount of surcharge I currently pay (\$4.50 per month maximum) and rather than have that charge be reduced, I would like to see the amount of solar installed each year in Tucson increase instead of decrease.

I would be extremely disappointed to hear that the Commission reduced the surcharge I pay in order to decrease the amount of solar being installed each year.

If there was a mistake in the design of the program which is going to result in a three to four year drop in new installations, I would like to see the commission remedy this situation. It does not make any sense to me to support growth for a few years, then support a 60+% decline, only to incentivize significant growth again four years later. The industry needs steady support, not wild fluctuations year to year.

Arizona should lead the nation in solar adoption, and I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels, or close to current levels of new solar installations each year.

Sincerely,

Kipp Metzger

5833 E South Wilshire Dr.
Tucson, AZ 85711
520-237-5018
Kipp_Metzger@animalhealthhospital.com

Animal Health Hospital
2560 S. Harrison Rd.
Tucson, AZ 85748
520-885-2364

2560 S. Harrison Rd.
Tucson, Arizona 85748
(520) 885-2364



Member: American Animal Hospital Association

11/4/11

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

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Sincerely,

SA-Kach

Name STEVE KACH

Address 17 TAN. OLD AVENUE TUCSON 85745

Telephone or Email 520 624 1892

OUR HOUSE IS 100% SOLAR



Phoenix Area & Northern Arizona
16847 E. Parkview Suite 201
Fountain Hills, AZ 85268
480-836-1110
480-247-5699, fax

ROC 226427
www.allwestenergy.com

Tucson & Southern Arizona
111 N. Main Street
P.O. Box 1576
Florence, AZ 85232
520-868-0700

November 4, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP

Dear Chairman & Commissioners:

I would like to take this opportunity to make clear my concern with the 2012 implementation plan for TEP. In brief, I am concerned about the drop in incentives for the commercial market this year, and I am even more concerned about the drop in residential and commercial incentives in the following years. I would like to urge the commission to address both the short term drop in commercial incentives, and the long term drop in overall distributed generation incentives. I hope you will support the compliance floor suggested by SASSB, and that you will consider maintaining the same surcharge amounts currently in place.

The compliance floor will have the following benefits to the commission:

- o Maintain momentum in the local solar industry
- o Prevent a significant number of stranded systems (whose installers have gone out of business)
- o Retain brain trust for the solar industry
- o Prevent a significant loss of faith in solar by the public due to negative press regarding the convergence of manufacturers and local installers both going out of business
- o Provide steady progress toward attainment of the 2025 REST goals, as opposed to rampant growth and high program costs in 2016 and 2017 due to the high number of systems required at that time.

Please adopt the following amendment language:

“The company will fund a minimum of 25,000 MWH of new customer sited distributed generation each year. The company will reserve funds to meet compliance targets within residential and non-residential categories and any difference between compliance and the needed



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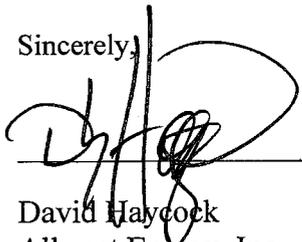
Tucson & Southern Arizona
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Florence, AZ 85232
520-868-0700

MWHs required to reach the 25,000 MWH floor will be split equally between the residential and non-residential market segments.”

Although it is a secondary issue, I also want to voice my opinion that a leasing differential of \$0.50 makes sense in the TEP service territory. This differential would not have an adverse impact on the budget, or on leasing companies, because a cash purchase at the higher incentive would still cost a customer significantly more than a 100% prepaid lease. The main thing the lease differential provides is resiliency in the event that the leasing market changes for the worse. This model has gained market share so rapidly, and is dependent on multiple variables (available investment capital, IRS guidance and policies, the existence of the 1603 treasury grant, etc.) such that basing future REST attainment on this financing vehicle alone is a significant risk.

Please feel free to contact me for further discussion or questions at (520) 868-0700.

Sincerely,



David Haycock
Allwest Energy, Inc.

[Nov. 3rd, 2011]

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: 2012 REST Implementation Plan for TEP Docket NO. E-01933A-11-0269

Dear Chairman & Commissioners:

The purpose of this letter is to let you know that I am concerned about the potential for the Arizona Corporation Commission to require less solar to be installed on homes and businesses in Tucson over the next four years.

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Arizona should lead the nation in solar adoption, and I do not want to see less solar installed each year in southern Arizona. I hope that you will vote to support current levels, or close to current levels of new solar installations each year.

Sincerely,



Anthony Vaccaro

Tucson, AZ 85705



November 4, 2011

Chairman Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Paul Newman
Commissioner Brenda Burns
Commissioner Bob Stump
Arizona Corporation Commission

RE: La Posada at Park Centre Inc. Community Solar Tariff Agreement

Dear Commissioners:

La Posada at Park Centre Inc. ("La Posada") has agreed to purchase a significant volume of solar energy under the Tucson Electric Power Company ("TEP") Community Solar Tariff Company ("CST"). We hope that you will approve our agreement with TEP and allow La Posada to increase solar energy resources for La Posada's and the wider community's benefit.

La Posada at Park Centre, Inc. ("La Posada"), is a continuing care retirement community in Green Valley, with over 700 residents and 540 employees. Our interest in making this investment is to secure an energy price hedge, and positively impact solar energy economic development, especially local economic development. Please see the enclosed document developed for the *Community Collaboration for Solar Energy Investment Workshop*, Tucson Arizona, October 2011, Ardeth Barnhart, Institute of the Environment, University of Arizona and Valerie Rauluk, Venture Catalyst Inc. that further describes our interests.

La Posada first investment in CST was reactive: responding to the program TEP had already in place. In its next investment, La Posada seeks to make some proactive choices. In particular, La Posada is seeking to direct its additional CST investment to particular technologies and locations offering additional community benefits. With the leadership and support of the Arizona Corporation Commission and TEP, we hope to continue our solar energy investment for both our organization and Arizona.

Sincerely,

Lisa Israel
Chief Executive Officer
La Posada at Park Centre Inc.

Administration
& Marketing
350 E. Morningside Road
Ph: (520) 648-8131
Fax: (520) 648-8397

La Vista Apartments
& Garden Homes
501 S. La Posada Circle
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Fax: (520) 648-8137

La Perla
Apartments
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Ph: (520) 393-6500
Fax: (520) 393-6505

Holmlund Assisted Living &
Armstrong La Via Memory Care
750 S. La Posada Circle
Ph: (520) 648-8400
Fax: (520) 648-8469

La Posada Healthcare & Therapies
700 S. La Posada Circle
Healthcare Ph: (520) 648-8381
Therapies Ph: (520) 648-2200
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