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BEFORE THE ARIZONA CORPORATION CO  
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AZ CORP COMMISSION  
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GARY PIERCE, Chairman  
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PAUL NEWMAN  
BRENDA BURNS

DOCKET NO. E-01750A-10-0453

IN THE MATTER OF THE APPLICATION OF  
MOHAVE ELECTRIC COOPERATIVE, INC.  
FOR APPROVAL OF A WASTE-TO-ENERGY  
FACILITY AS A PILOT PROGRAM UNDER  
THE RENEWABLE ENERGY RULES OR, IN  
THE ALTERNATIVE, FOR A LIMITED  
WAIVER.

STAFF'S NOTICE OF FILING  
WITNESS TESTIMONY SUMMARY

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") hereby provides notice of filing the testimony summary of Laura A. Furrey in the above-referenced matter.

RESPECTFULLY SUBMITTED this 23<sup>rd</sup> day of November, 2011.

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Original and thirteen (13) copies of the foregoing were filed this 23<sup>rd</sup> day of November, 2011 with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Copies of the foregoing were mailed this 23<sup>rd</sup> day of November, 2011 to:

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**IN THE MATTER OF THE APPLICATION OF MOHAVE ELECTRIC  
COOPERATIVE INC. FOR APPROVAL OF A WASTE-TO-ENERGY FACILITY AS A  
PILOT PROGRAM UNDER THE RENEWABLE ENERGY RULES OR, IN THE  
ALTERNATIVE, FOR A LIMITED WAIVER**

**DOCKET NO. E-01750A-10-0453**

**SUMMARY OF TESTIMONY OF STAFF WITNESS LAURA A. FURREY**

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Mohave Electric Cooperative, Inc. ("MEC") is a non-profit, distribution cooperative providing electricity to more than 39,000 services over 1,445 miles of energized line, with an electrical service area of nearly 1,300 square miles across Mohave, Yavapai and Coconino counties. Located in Bullhead City in northwestern Arizona, Mohave serves the communities of Bullhead City, Fort Mohave, Mohave Valley, Wikieup, Hackberry, and Peach Springs.

In its Application in this matter, filed on November 5, 2010, MEC requested that the Arizona Corporation Commission ("Commission" or "ACC") either (1) recognize energy produced at a single municipal waste-to-energy ("WTE") facility owned, operated or developed by Reclamation Power Group, LLC ("RPG") as a pilot program pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1802(D) or (2) grant a waiver, pursuant to A.A.C. R14-2-1816(A), to the extent necessary to recognize the energy produced at this WTE facility as an "Eligible Renewable Energy Resource" as defined by A.A.C. R14-2-1802. Under either scenario, MEC sought to have the facility qualify for "Renewable Energy Credits" under A.A.C. R14-2-1803 and be eligible to satisfy the annual renewable energy requirements established by A.A.C. R14-2-1804.

On July 25, 2011, the Commission issued Decision No. 72500 approving MEC's application. On August 12, 2011, the Sierra Club – Grand Canyon Chapter, which was previously granted intervention, filed an Application for Rehearing, which was granted on August 24, 2011.

On rehearing, Staff recommends that the Commission adopt Staff's proposed order in Docket No. E-01750A-10-0453 as its Decision in this matter. In that proposed order, Staff recommended that the Commission grant a waiver of A.A.C. R14-2-1802(A) to the limited extent necessary to recognize the RPG WTE facility as an "Eligible Renewable Energy Resource" on an experimental basis such that energy produced at the facility may count for "Renewable Energy Credits" under A.A.C. R14-2-1803 and be eligible to satisfy the annual renewable energy requirements established by A.A.C. R14-2-1804. Staff further recommends that only 75 percent of the total kWhs of energy derived from the RPG WTE facility be considered as being produced by an Eligible Renewable Energy Resource.

Staff believes that good cause exists for granting the aforementioned waiver because a significant portion of municipal solid waste may be categorized as renewable. Moreover, Staff believes that the potential benefits of the proposed facility outweigh the potential consequences, especially when compared to the alternative of landfilling municipal solid waste. Staff believes that these potential benefits merit exploring this technology further on an experimental basis by allowing only a portion of the energy produced by the proposed facility at issue to qualify for Renewable Energy Credits.

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Although Sierra Club raises environmental topics including recycling rates and air emissions, Staff believes that these topics are better addressed by the agencies which regulate those areas, such as the Maricopa County Air Quality Department, the Environmental Protection Agency, and the individual municipalities that regulate recycling.