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2012 JUN 27 P 3:46

June 27, 2012 AZ CORP COMMISSION  
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Arizona Corporation Commission  
Docket Control  
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Arizona Corporation Commission  
**DOCKETED**  
JUN 27 2012

Re: Dissent  
Mohave Electric Cooperative  
E-01750A-10-0453  
Rehearing of Decision No. 72500

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This dissent letter explains my “No” vote in the matter of the Commission’s rehearing of Decision No. 72500. On rehearing, the Commission affirmed (on a 3-2 vote) its earlier decision to approve Mohave Electric Cooperative Inc.’s (“Mohave”) application to recognize the energy produced from the proposed RPG waste to energy pilot project as an eligible renewable energy resource under the Commission’s Renewable Energy Standard and Tariffs (REST) rules.

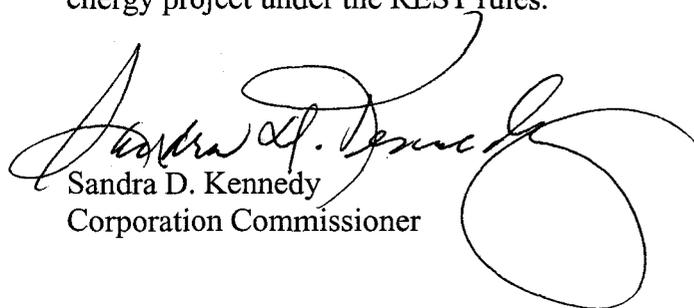
After duly considering the record on rehearing, my view of this matter is unchanged. Simply stated, treatment of the energy output of the proposed RPG municipal solid waste to energy pilot project as an eligible renewable energy resource is contrary to goals of the Commission’s REST rules. Moreover, **it is not in the public interest**. As I stated in my original dissent dated July 15, 2011, “*Arizonans have clearly stated their preference and desire for renewable energy. In fact, ratepayers tell me repeatedly that they want more. They never tell me they want municipal waste, but more solar and wind. Research and evidence in this case highlighted that municipal solid waste produces harmful emissions that pose a risk to the public health. We also know that incinerators for waste to energy are not carbon neutral.*”

It is equally troubling that the rehearing decision also affirmed Decision No. 72500’s determination that **90 percent** of the total kWh of the energy produced from the RPG facility may be considered as eligible for renewable energy credits (RECs). The evidence in the record clearly does not support this determination. As a result, Mohave’s ratepayers will pay more for the “energy” produced by the RPG facility than they should. Further, these same ratepayers will see no economic benefit in their community because in all probability, the facility will be built outside Mohave’s service territory.

Decision No. 73252

Mohave Electric Cooperative  
E-01750A-10-0453  
Rehearing of Decision No. 72500

I am all for permitting utilities to develop *outside the box* projects and encourage innovation. However, burning trash that will emit toxins into air is neither an *outside the box* project nor an innovation that promotes the REST rules' goals or the public interest. I want Arizona to be the Solar Capitol. However, the majority's affirmation of Decision No. 72500 moves Arizona in the wrong direction away from renewable energy projects that will truly benefit our state and our utilities' ratepayers. Therefore, I voted against allowing burning garbage to count as a renewable energy project under the REST rules.



Sandra D. Kennedy  
Corporation Commissioner