

ORIGINAL

OPEN MEETING AGENDA ITEM

E-0733A-12-0296

Eric Van Epps

From: rob mclane [REDACTED] ED
Sent: Monday, January 28, 2013 11:39 PM
To: Pierce-Web
Subject: REST plan



0000141864

2013 JAN 29 A 10 45

ARIZONA CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

JAN 29 2013

DOCKETED BY [Signature]

January 28, 2013

Commissioner Pierce

Arizona Corporation Commission

RE: 2013 REST Implementation Plan for TEP

Dear Commissioner,

I moved to Tucson with the express desire to learn to install solar. I was lucky enough to find a job after a year of applying and waiting. I have been at it for over three years, and it has been a quality job that has allowed my family to prosper in Tucson. I have two young children, we bought our house from our landlords, and have made Arizona our home(my wife returned after having grown up here). Solar is one of the things I love about living here, as well as all the people I work with--at my company, at the electric supply houses that service our industry, at the public offices where we do permitting. Our company is known and respected and valued in the community, but it is already feeling the effects of drastically lower and zeroed-out utility rebates. It would be hard to understand how important the solar industry is to people, unless you looked at a diagram of the web of connections that have grown around it in the community.

This isn't just about me or the specific company I work for. I believe that at a time when jobs are scarce, tax revenues are down, and the economy is struggling to revive itself, we need leadership in creating a climate where good jobs are preserved and created. Solar in the Tucson region has been this rock for the past several years--while other sectors lost jobs, we added jobs. These are good, skilled jobs that people can be proud of--and our customers are always thrilled with the fact that they had the opportunity to go solar. This has been in no small part due to the availability of funds from utility rebates.

I agree that rebates cannot sustain an industry forever. We are innovating, becoming more efficient, and working to be better at what we do. However, the levels of rebates recently approved are already having an impact on our industry in Tucson. Already, under the previous \$.20 incentive, sales have declined dramatically, to the point that our company has had to begin laying people off. There are not other companies hiring to any large degree because everyone is in the same boat. It may be that we can innovate our way to better sales, but I am concerned that this drop in incentives over the past year was too fast. Ultimately we want to not rely on them, but as an industry, this is not helping us, its hurting us. Nor is it helping ratepayers, who, if they are not paying a REST surcharge, are in fact going to start missing out on all the positive impacts that a growing solar industry has been bringing to Arizona.

Everyone I know and talk to is perfectly willing to pay a few extra dollars on their utility bill to keep solar going. People are enthusiastic about solar, and truly disappointed when they are not able to make the upfront cost to do it themselves. That is where the utility rebate helps, and it gives consumers and businesses an opportunity to engage in an economic exchange that otherwise would be unlikely in many cases. The resulting good, both economic and social, for our city, county, and state, is many times the few dollars individual people pay on their bills each month to fund it.

I would like to urge you and the rest of the commission to address this issue, perhaps sooner than next year with these points in mind. As a suggestion, if you think REST surcharges must be done away with, why not explore the PACE program? This is a model developed in CA, which allows residential solar customers to borrow from local governments to

help with upfront costs, paid back over time on property taxes? It was very successful in CA, and other states tried to implement it, before lending companies stymied it. It needs a champion, and you, as a commission, could take that on and make it viable again.

Sincerely,

Robert McLane
Tucson, AZ