ORIGINAL

Trisha A. Morgan

0000145455

From: Edward McGlynn [redacted]
Sent: Friday, June 07, 2013 12:56 PM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBuns-web@azccc.gov
Subject: APS and Net Metering

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AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission
DOCKETED
JUN 10 2013
DOCKETED BY

To: Arizona Corporation Commissioners
Subject: APS and Net Metering

E-01345A-12-0290
E-01345A-10-0394
E-01933A-12-0296
E-04204A-12-0297

Dear Commissioner,

APS has requested revising its net metering credit with all existing and future customers on its system. **This will destroy the future solar industry in APS's service area and financially harm every customer who entered into a contract with solar providers to buy or lease their system.**

Last year we evaluated a 20 year lease through Solar City, based on the power output of the system and the cost/payback of the system. The economics of this decision was based on the APS net credit given for daylight power sent back to APS when our system is operational. We had several discussions with Solar City's and APS's Green Team on electrical use, billing options, conservation possibilities, panel location and panel sizing to maximize system performance while minimizing cost. We entered into a 20 year contract with Solar City based on known electrical cost and credits from APS.

This contract fixed our cost with Solar City for 20 years, while we knew we would get monthly variable savings through APS credits making solar an environmentally and financially smart decision. **Changing the net metering credits for us as an existing APS customer would financially harm us for another 19.8 years.**

Net metering credits APS in the daytime when air conditioning in homes and businesses use the most power. The formula makes sense as a low cost alternative to peak power system requirements. Solar providers feed less power back to APS on cloudy days, while total APS output on those days are also reduced. Many businesses throttle back their power after 5 or 6PM when solar systems also are only marginally supplying power to the system. The rate formula is in harmony with power provided.

We understand APS can, will and have changed fixed charges on their bill. For example, of the 13 assessorial fees and taxes on our monthly statement between last October and our current bill, APS has raised:

Charge	10/12	5/13	% increase
Customer account charge	$ 1.76	$ 1.83	4.0%
Environ.Benefit surcharge	$ .00	$ 3.83	inf.
Metering	$ 2.52	$ 2.61	3.6%
Meter Reading	$ 1.74	$ 1.80	3.4%
Billing	$ 1.96	$ 2.03	3.6%
State Sales Tax	$ .54	$ .82	51.9%
County Sales Tax	$ .06	$ .09	50.0%
City Sales Tax	$ .20	$ .31	55.0%
Franchise Fee	$ .16	$ .24	50.0%

The fixed charges of 9 of the 13 fees and taxes have increased within the last year from $8.94 to $13.56 for an increase of 51.7%, per our billing increase. **A 51.7 percent average increase on these raised fees should have the ire of all citizens within the district.** These assessorial costs need to be controlled by the commission, as well as major rate change cases. Who approved an increase of over 50% in fixed taxes on our APS utility bill? Was there a hearing?

Solar system net metering credits make sense for our society to grow this form of available power in Arizona where the sun is so intense. A reduction of these credits will harm households that have already invested in solar and the industry in the future.

Respectfully,

Edward and Alana McGlynn
[redacted]
Goodyear, AZ 85395
[redacted]

Honorable Members of AZ Corporation Commission:

On May 28, 2013 I sent a letter to the Commission. I probably should have emailed to each of you to make sure you received it. I am attaching it herewith.

I would also like to add to my letter the following observation. Net metering was a powerful inducement for my financial commitment for solar as well as the environmental benefits.

I don't know what APS is seeking, but whatever it is, isn't it a thinly disguised attempt to buy solar energy more cheaply and sell it to their customers at retail. What's fair about that?

Please tell APS to take a hike, but not a rate hike.

Yours truly,
Allan A. Greene

May 28, 2013

Arizona Corporation Commission
1300 West Washington
Phoenix, AZ 85007

Last February I contracted to have a solar system installed at my home.

A number of factors influenced my decision. These are:

1. I felt it was environmentally responsible.
2. The incentives, i.e. the rebates and the to one KW tradeoff made economic sense.
3. Senate Bill 1254 and House Bill 2593 established a clear public policy in Arizona to encourage alternate sources of energy.

Although it is early in my APS billing cycle my results are satisfactory.

Much to my chagrin I watched an episode on "Horizon", channel 8, in which Ted Simon interviewed two representatives from APS. These gentlemen argued that the one to one KW allowance was unfair to APS because it didn't pay for the transmission cost of their service. The intention was to ask for relief from the Commission.

This program has been followed up in the press with the APS and Solar interests being debated. Solar's argument is that their systems will result in less capital cost for APS.

It seems to me that what APS is proposing is a classic case of bait and switch. They offer cash and credit incentives to get their customers to invest in solar and then change them after they are roped in.

If this tactic was exercised in any other commercial setting it could be prosecuted.

In conclusion, it is my hope that this commission and those of the future will reject any APS attempts to alter the one to one KW credit allowance.

Sincerely,

Allen S. Greene

Allen S. Greene
[redacted]
Scottsdale, AZ 85250

Trisha A. Morgan

From: Amy Yamachi [redacted]
Sent: Saturday, June 08, 2013 11:46 AM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web
Subject: Protect Net Metering, one small step

Dear Corporation Commissioners:

I am a voter and an APS customer. By taking this one small step to changing the dangerous precedence of greed and corruption, I am writing to urge you to protect net metering. Doesn't it make sense that if I have to buy electricity from APS at a certain rate, APS should be willing to pay me that same rate when my solar panels provide electricity to the grid? After all, APS just turns around and sells the power I produce to my neighbors. This is called sharing the wealth, something the United States of America seems to be enormously lacking ... and, for quite some time ... resulting in the terrible state of economic affairs we are currently experiencing. Can't you understand that the economic imbalance is so destructive and greed is incredibly prevalent that our democratic way of life will soon cease to exist? All this political BS that is going around makes me think of a gambler on a fantastic winning streak on the Titanic, harvesting his winnings like it's going out of style; he fails to see the disastrous iceberg ahead. One would think that people of means are smart and could see the patterns that are emerging. Unfortunately, "animal instinct" to hoard is stronger. We're no different than squirrels, which I've observed at length; they will take whatever they can and become quite aggressive if you try to steal their nuts. Sounds familiar?

APS is trying to make the case that Arizona should change its successful net metering program to their fiscal advantage. If that happens, power bills for solar customers would go up, thereby

discouraging future solar participants and further jeopardizing our efforts to reverse climate change.

It blew me away when APS tacked on an "Environmental Benefits Surtax" to my bill. Some people thought this surtax was for people who DID NOT HAVE SOLAR! WRONG! It's for people who DO have solar! WOW! Like wearing your pants backwards! Doesn't anyone receiving a paycheck from taxpayers have any sense of fair play and decency? WHAT IS HAPPENING TO OUR ONCE BEAUTIFUL, PROUD, AND INTELLIGENT COUNTRY?

So, when you go home at the end of the day, your family gathers for your evening meal, perhaps watch a little television or help the kids with their homework, until it's time for bedtime and you tuck your children (*whom you "pretend" to love*) into bed, reading them a story or two until they fall asleep, can you honestly say that you're doing everything possible for them? If you give a sigh of relief and say "yes," YOU'RE REALLY LYING! WHAT ABOUT THEIR FUTURE AND THE FUTURE OF THIS PLANET?

Arizona probably has the best conditions for solar energy and has the capability of encouraging other states in the union to get on board. The gods have blessed Arizona with so much sunshine; we should lead the Nation in how to properly harness the sun and share with others who are not as blessed. It's time we became the great state and nation we once were. C'mon, folks, it's time we got the ball rolling in the CORRECT path leading to each of our "pursuit of Happiness." YOU'VE GOT THE POWER ... with this one small step.

Sincerely,

Amy Yamachi

Trisha A. Morgan

From:	Rich Veleta [redacted]
Sent:	Saturday, June 08, 2013 12:23 PM
To:	Pierce-Web
Subject:	APS/SPR wanting to reduce or eliminate net metering
Importance:	High

June 8, 2013

Dear Commissioner:

We recently installed solar panels on our home at a substantial cost for the following reasons.

1. To reduce my monthly energy costs without having to impact other folks that did not do so.
2. To assist APS in reaching its mandated Renewable Energy Requirement.
3. Help address environmental issues of producing energy by other means.

In 2009 the Arizona Corporation Commission approved a plan, submitted by APS, to provide net metering, so customers providing generation of more power than is used, be compensated a wholesale value for this power. APS in turn, then sells this power to customers not generating their own power at a much higher retail value.

Now APS is claiming that they need to be compensated for lost revenue, since they are not selling as much power to the folks that have installed solar on their homes. They are now also claiming they would like to eliminate net metering, which they suggested in the first place. They want to collect the power from folks having installed solar systems, not compensating these folks for excess power produced, and then selling it to people at a higher inflated price. Isn't this like selling a stolen product?

If net metering is eliminated, APS will be stealing power from every homeowner, which is not using all the energy they produce at a given time, and then selling it back to them at a retail rate when they are not producing solar power. That

excess power sent back into the grid does not just vanish, but is being sold back to APS customers when it is produced.

How can APS say they are loosing revenue since they would have had to produce this power themselves if not supplied by the folks that have installed solar systems on their homes? What they want is something for free and then charge a retail cost to customers for something they (APS) would have never paid for if net metering is eliminated.

Net metering is not a subsidy, as APS is now claiming, since solar producing homes get a fair credit for solar they produce, which APS does not have to generate themselves. APS set the rates they would compensate solar producers for excess energy and now want to reduce or eliminate compensation for excess solar produced.

I urge you to vote against the elimination of net metering proposed by APS and Arizona can then continue becoming a solar energy hub of our country. Without net metering, homeowners will no longer install solar systems and this will not only harm our environment, but will force many companies selling and installing solar panels to close their doors, and will crate a still larger unemployment level than we already have.

Thank you for your consideration and your vote on this issue.

Richard and Kathleen Veleta
3874 N 160th Avenue
Goodyear, Arizona 85395

Rich Veleta

[redacted]

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Trisha A. Morgan

From: montehillman[redacted]
Sent: Monday, June 10, 2013 7:02 AM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web
Subject: Home Rooftop Solar and the Elimination of Net Metering

Dear Commissioner:

Re: Home Rooftop Solar and the Elimination of Net Metering

Arizona needs a stable energy policy regarding Net Metering. By arbitrarily changing current policy, the commission risks creating uncertainty by showing Net Metering policy is at risk from year to year and from changing membership in future Corporation Commissions. This can "whipsaw" homeowner decisions and employment in the support industry.

I am also worried about enough injured "Net Metering" voters forming a rebellion of injured owners. They could form a base that would elect a future Corporation Commission of radicals that would flip prior current consensus decisions. This would not be in the interest of Arizona or APS.

When the facts of "Roof Top" solar are considered:

1st Most existing long distance transmission lines have already been paid for. New transmission lines for Windmills in far distance location should be solely born by their investors. New natural gas plant west of Phoenix need only a minimum of transmission lines.

2nd Transmission lines lose about 30% of their transmitted energy, i.e. transmission lines heat the air. Rooftop solar generates its surplus electricity directly into the neighborhood with no transmission loss, no extra transmission lines or transformers.

3rd Land use. Solar thermal (Solano) and centralized solar talk in term of acres or square mile of virgin land use for their deployment. Solano uses precious Arizona Water. Centralize Solar intrudes into eco sensitive desert area. Rooftop solar is joint use of existing buildings' footprint with no additional environmental impact.

4th Centralized solar and Wind requires extra transmission lines and transformers to carry their electricity into the city during peak electrical usage hours. Rooftop solar does not and generates its electricity during peak hours locally. During the night, rooftop solar does NOT cause any extra demand for transmission lines and transformers during low use periods. Why should "Rooftop solar" home owners have to pay for those extra transmission lines and transformers for peak, summer hours?

5th Centralized Solar (Solana Generating Station) is charging APS and their rate payer 14 cents per kilowatt hours and received 1.45 billion of subsidized loans from our tax dollars. The rooftop home owner is paid only 5 to 7 cents per kilowatt hour by APS for any their surplus electricity sold back to APS! Is "Rooftop solar" really being subsidized or are they receiving less favorable treatment?

See Wikipedia article: http://en.wikipedia.org/wiki/Solana_Generating_Station

Is the argument being put forth: "Rooftop solar" needs to pay for new, additional transmission lines during off peak hours? Or is this a case of big wealthy investors and big out of state corporations trying to remove low cost competitors, i.e. individually owned, operated, low cost and environmentally friendly "Rooftop Solar?

Consider: SRP assesses what it calculates the cost per "Rooftop solar" home owners for overhead items: billing, transmission lines, system maintenance, transformers etc… that's a flat fee of $17 dollars a month.

But, APS seems to be embarked upon a scheme that favors foreign corporations, tax subsidized wealthy investors and paying them .14 per kilowatt hour. APS only pays "Rooftop solar" 5 to 7 cents for their surplus solar generate electricity.

Is APS wanting to **charge** "Roof Top Solar Home Owners" for their own self-generated electricity during summer peak hours? Really? Would this new policy sound wise and fair to voters in the next election? When the other enumerated issues regarding long distant centralized solar and Wind power are considered and compared to more environmentally friendly and lower cost "Rooftop solar" – would voters consider the elimination of "Net Metering" good decision making policy by the current Corporation Commission?

By eliminating "Net Metering", I feel outraged that Corporation Commission would approve of poor public policy that favors an unfair, higher cost, environmentally unfriendly and discriminatory pricing policy against all home owners.

And, I would take any poor decision making in my future support of Corporation Commission candidates. And I, my family and friends vote.

--
Monte Hillman

Trisha A. Morgan

From: Janet and David Day [redacted]
Sent: Monday, June 10, 2013 8:52 AM
To: Stump-Web
Subject: Proposed Changes in APS Solar Energy Policy

To: Bob Stump, AZ Corporation Commission

Additional knowledge of the wishes and expectations of your constituents will, I hope, guide you in your decisions.
To help achieve certain long-term goals APS agreed to specific actions in developing electric power from renewable resources. The resulting successful achievements have provided certain residents of the State of Arizona and the State of Arizona itself with benefits and, recognitions for those with foresight to risk an investment in solar energy. It appears that there were some unintended consequences that developed to the potential detriment of the original APS plan. Businessmen, and forward thinkers amongst us, have always acknowledged what is normally called and planned for as "business risk," but ever since the unintended results became evident APS has appeared to have picked at various ways and means to overcome their perceived and/or real grievances /mistakes, at the consumers expense. We the consumer, have on the other hand taken our risks, put our money where our mouth is and, fulfilled our real and implied obligation.

On my behalf and the behalf of other investors with the ability to produce energy from the solar source we ask you as AZ commissioners to deny these latest APS attempt to reduce and revamp their credits, and Net-Metering Program to the detriment of the customer's valuable energy investment
A deal is a deal, a commitment is a commitment. We have lived up our part of this very worthwhile solar project. Please hold APS to the commitments that they originally sought so aggressively to achieve their initial objectives.

There are several issues that APS actions seem to be addressing as a result of the unintended consequences and which potentially are harmful to their customer's position.

I should state that we own the solar installation on our residence. We are not lessees as are numerous others therefore, while we are vitally interested in the matter of reduced energy costs our primary focus is, and has been, monitoring, analyzing, and recording the performance of the installed system. An investment of this nature requires a comprehensive understanding of it's performance verses specification and expected result.

We are concerned by the escalation of so-called fixed costs over the past 3 years and the authorization for these changes. I understand that others will address this subject so I will not delve into details. These assessorial cost increases have been significant and lacking transparency.

If APS has plans to redress the results of over forecasted demands, underestimated actual demand, under forecasted solar energy production sold back to ASP as related to their original plans in support of the solar program, revamping, reducing, the credits earned by the consumer for energy returned to ASP/the grid, this is an obvious area for attack.

There seems to be little explanation, clarity or transparency for APS recent and proposed action. In our opinion the results of these actions are likely to be of harm to the customer. In our case the second replacement of the digital meter within the last 7 months without any record of accumulated solar generation at that time of meter replacement (other's confirm the same situation) has essentially interrupted our ability to maintain records of our solar systems accumulated/continuous production.
Where are the explanation, benefit, and transparency in this type of action?

A very lengthily conversation with the APS Green Team within the past few days did not resul in the production of the accumulated solar energy total as of May 20th when the second digital meter was replaced. An extensive review of APS.com home page and subsequent links to meter data and reading will not altogether resolve our particular complaints as there exists a delta of 5.5% to 5.8% between the bi-directional meter and our computer monitoring of the solar system. We can reconstruct the data in a fashion by waiting until an "after the event" billing statement using 30-day old data. Is this part of the APS plan to revamp, reduce the credits resulting from selling energy back to APS and contrary to our original contract signed May 2010?

I repeat please deny any moves by APS to amend the original concept and to the detriment of the consumer.

Respectfully,

David E. Day