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ARIZONA CORPORATION
COMMISSION

RECEIVED

July 15, 2013

2013 JUL 16 P 3:41

RE: Net Metering
Docket No.: E-01345A-13-0248

AZ CORP COMMISSION
DOCKET CONTROL

Dear Steve Olea,

The Commissioners will soon take into consideration the issue of net metering and whether or not any changes should be made to the current policy and associated rates. During the process of the APS Net Metering Conferences, two major studies were presented that came to significantly different conclusions as to the value of solar distributed generation.

The first study was submitted by and prepared for APS by SAIC Energy, Environment & Infrastructure, LLC entitled "2013 Updated Solar PV Value Report". It was docketed on May 17, 2013.

The second study was commissioned by SEIA (Solar Energy Industries Association), prepared by Crossborder Energy entitled "The Benefits and Costs of Solar Distributed Generation for Arizona Public Service". This study, along with a letter from "The Alliance for Solar Choice" that proposes the creation of a System-Benefit Credit for Solar Distributed Generation Facilities was docketed on July 2, 2013.

On Friday, July 12, 2013 APS docketed two alternative proposals to the net metering policy based upon inputs from the net metering conferences.

Since these reports come to different conclusions/proposals, I would like to ask for Staff's help in analyzing these two reports and their related policy proposals. Specifically:

From Staff's perspective and experience in analyzing costs and revenues related to rate cases,

- Is the data that is presented consistent with Staff standards as to source and reliability? (ie. Is it auditable?)
- Are the projections that are made reasonable based upon the data presented?
- Would Staff ask for any additional info on either study to clarify or verify data and sources?
- Is the information submitted in either study sufficient for Staff to make any recommendations? (ie. Would it meet your sufficiency requirements?)
- And finally, are there any conclusions or recommendations that Staff would make on either of these studies and their related net metering policy proposals?

Thank you for your help in analyzing these reports.

Sincerely,

A handwritten signature in black ink that reads "Gary Pierce".

Commissioner Gary Pierce

Arizona Corporation Commission

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JUL 16 2013

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