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Arizona Corporation Commission
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To Members of the Arizona Corporation Commission:

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DOCKETED BY

Gary Pierce, Brenda Burns, Bob Stump, Susan Bitter Smith, Bob Burns

AZ CORP COMMISSION

As an APS customer and the owner of a rooftop solar array, I feel compelled to comment on my thoughts about the APS request to change the way future rooftop-solar customers will be credited for the electricity generated from their systems.

I have been following the articles in the Arizona Republic and am aware of television advertising related to this complicated issue. Please consider me fairly representative of others in my community who have invested in solar.

As a retiree, it has been my goal to create a budget with as many fixed, predictable expenses as possible to match my new scenario of living on a fixed income. Health care is the most obvious cost that is rising exponentially and is impossible to control — except, of course, by practicing a healthy lifestyle.

Electricity — because of the option of solar — is one of the easiest costs to control. Although I understand that I and other current solar owners will be grandfathered and exempt (for now) from a potential change in rebates or in APS's net-metering practice, any changes obviously will affect others like me who are benefiting from the billing structure.

Granted, this is a complex issue. And I acknowledge that any individual is likely to consider the personal ramifications of change ahead of corporate ramifications of change. I hope you, APS, and other parties who have a stake in the solar industry can reach a compromise that neither hampers nor discourages the continuing investment in solar by the federal and state government, by companies involved in the solar industry, by public utilities, and by individuals.

I offer for your consideration:

- It's true that those of us who have solar still use the grid during non-sunny and nighttime hours. Although APS may be getting less revenue from solar users as customers, is APS not spending less to generate the electricity we use? i.e. Are there not some cost offsets for APS due to less need for oil, gas and coal to power its turbines?
- There is a claim that, if this change is approved, homes with solar will be harder to sell. Is that the reward solar array owners should expect because they thought they were helping to comply with the invoice inserts APS constantly sends customers that say: "For tips on how to reduce your energy usage, visit us at aps.com."
- Are those of us who have solar not helping APS meet its mandate to provide 15 percent of the state's energy from renewable sources by 2025? And if, as one of the articles stated, Arizona is already selling 65 percent of the solar power generated here to California, couldn't a small rate increase for sale of that power help offset APS's reasons for wanting to alter net metering charges for its own residential customers?
- There is a claim that California solar companies are "getting rich off hardworking Arizonans." Since when is "profit" a dirty word? If California-based companies have a solid reputation and solid product, isn't their success market-driven? I would rather — and in fact, I did — purchase my solar array from a California company based primarily on its longevity and reputation. If I invest in a product with a 10- or 20-year warranty, I want to be relatively confident that the company will be around to fulfill any warranty obligations. Friends who purchased from area companies that have gone bust are regretting their decision to stay local and buy the lowest-price

product. Arizona-based companies need more time — and possibly government subsidies — to become firmly established.

- Fossil fuel subsidies in the United States are estimated to range from \$14 billion to \$52 billion annually — all this while the top five integrated oil and gas companies (ExxonMobil, Shell, Chevron, BP, ConocoPhillips) earned nearly \$120 billion in profits in 2012. As a taxpayer, I contribute to those subsidies. The percent of electricity in this country produced by solar arrays is as yet infinitesimal compared to demand. I would prefer that my tax dollars support emerging companies involved in producing clean, carbon-emission-free energy.

- Consider the progress Germany has made. It has over 57 times more solar power per capita than “Sunshine State” Florida; it has over 21 times more solar power per capita than our country overall; it has about 24 times more solar power per GDP than the United States — and Germany is not particularly sunny!

- I’m sure you’re aware of the reasons given for the state of Georgia’s Public Service Commission members’ recent vote to approve the addition of 525 megawatts of solar generation as a hedge against future rate increases related to more coal regulation and natural-gas price volatility. A decision in Arizona to reduce net metering could discourage additional investments in solar and be a step back for the economic potential — and the economic benefits for APS customers — of solar in Arizona.

Regardless of one’s beliefs about the environmental effects of carbon-based fuels, there can be no argument that solar is a clean, safe, renewable energy source. And Arizona has an abundant supply of FREE sunshine. It would seem to make sense to continue to support, assist and reward the use of solar energy. There is no question that it is the wave of the future, and any steps taken to curtail its expansion can only detract from Arizona’s overall economic growth.

I hope that all of you, as members of the Corporation Commission entrusted with decisions that have such far-reaching effects, will follow the lead of the decision reached in Georgia in July. Please help Arizona benefit from growth in solar. And please don’t punish residents who want to support that growth.

Sincerely,

Kathleen Watson
27070 W. Escuda Dr.
Buckeye, AZ 85396

David B. Sitterson
20120 N. 264th Dr.
Buckeye, AZ 85396

August 28, 2013

To Members of the Arizona Corporation Commission:
Gary Pierce, Brenda Burns, Bob Stump, Susan Bitter Smith, Bob Burns

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Sincerely,



Kathleen Watson
27070 W. Escuda Dr.
Buckeye, AZ 85396

Trisha A. Morgan

From: Thomas Bell <thosgbell@gmail.com>
Sent: Friday, July 19, 2013 10:03 AM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web
Subject: New APS solar proposal

Ladies and gentlemen:

There are a lot of homeowners in senior communities that are considering solar as an investment that will defray on-going costs for electricity. I'm in that group. Recently, I started to see ads on TV that claim those with solar are being subsidized by the rest of us unfairly. Those ads claim it costs the average customer up to \$20,000 annually in unfair rebates for their solar. What numbers they use are beyond me - my APS bills are only \$133 per month, so I don't even come close to that number.

But the ads got my attention. They signal an upcoming push to readjust the incentives that the power companies give out for customers that install solar power. And, because they are so slick, they smack of big bucks behind the effort. That means large scale lobbying efforts are afoot to influence you as Commissioners to change the rules. Don't be persuaded by slick tongues - please look at the impact of the plans, and the financial implications of them.

The APS proposal I am aware of is an effort to renege on their Net Metering program for residents who installed solar panels. That APS proposal violates the very incentive program they used to lure people into making sizable investments in solar panels. And, just as bad, the proposal comes at a time when many of us (myself included) would join the programs in the coming months. Without the incentives, there is very little reason to install solar, and the costs become prohibitive. Here are some comments:

The new solar program proposed by APS would cost \$50 to \$100 more a month in their APS bill, thus discriminating against new participants. Homeowners will shift to the commercial marketplace to finance the installation of solar. That means each homeowner will be judged on their age, ability to pay and the projected length of time they're going to own the home. Translation: much higher finance rates, much higher monthly payments. And the numbers applying to the programs will decrease - probably dramatically. If fewer homes install solar, then APS' goal of renewable energy percentage will fall, and they will miss their goals.

The "Grandfather Clause" in the APS proposal has significant exposure for the homeowner. If residents took out a 10 to 20 year payback to the solar company and if you sell your home prior to the pay off, then APS tears up the remainder of the Grandfather Clause and you're stuck with a financial obligation to pay off the loan, which you cannot pass on as part of the purchase agreement with the new buyers, even though the solar system is part of the house they're buying. In any community, that is harsh, but especially in a retirement community, for the average home ownership tends to be for a lesser length of time.

While Arizona and the rest of our nation was trying to cope with a retching recession from 2008 to 2012, APS' profits soared 51%. Obviously, the solar program did not impact profits THAT much. So - is APS trying to use this proposal as a way around rate hikes to make more money?

It's neither fair, just, nor moral to propose financial incentives and then pull the rug out from under you after you make sizable investments. But it appears that APS thinks it is - or is it just profits that doing the talking? Commissioners like you in two states have already defeated the proposal, albeit by narrow margins: Louisiana and Utah.

Finally, our President has incentivized the use of solar energy, giving support to companies that make panels and companies that install them. Many of the companies making panels here in Arizona are providing the panels that are being installed here in Arizona. Take away incentive programs for their installation, and watch these companies shrivel and die, costing our economy jobs and tax revenues.

Don't let APS spin this issue - tell them it's not gonna fly. They can afford to continue the subsidies.

Thomas Bell

Trisha A. Morgan

From: Bob Stump on behalf of Stump-Web
Sent: Monday, August 05, 2013 11:16 AM
To: Trisha A. Morgan
Subject: FW: APS

From: Joe [mailto:joe@katsko.net]
Sent: Friday, August 02, 2013 5:32 PM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web
Subject: APS

Why is it that I can not find anything to do with APS rate increase hearings on the Arizona Corporation Commission's web site?

The meeting notices and agendas are all in the past. Nothing in the future. And still nothing about APS rates even in the past.

No docket #s to file a comment.

I only hear about APS rate increases by the news media or stumbling upon something on the APS website.

Occasionally, I get notices in the mail from APS with my monthly bill; generally, letting me know my rates are going up because you, the AZ Corporation Commission, approved an increase.

I am a roof top solar customer of APS. I just discovered the proposed increase to new roof top solar customers in the name of 'fairness' - <http://azenergyfuture.com/wp-content/uploads/2013/07/NetMeteringProposalOverview.pdf>. I have a few comments about this subject and would like to share them with the commission and I know there are other organizations and individuals that may or may not agree. I do understand that I would be grandfathered in the proposal but I have been the victim of APS's grandfather practices in the past.

In the name of 'fairness' APS wants to raise new roof top solar customer rates by ~\$1000 a year – per their web site, http://azenergyfuture.com/wp-content/uploads/2013/05/net_metering_quick_reference_web1.pdf. I have data for my electrical consumption for the past 30+ years and I am coming up on 4 years of being on roof top solar – I am only saving \$1000 a year on my APS bill since going solar – and APS wants it back....If you look at the APS examples you will see APS is proposing that new roof top solar customers subsidize a portion of what APS considers costs the roof top solar customers do not use (page 3 of reference web page PDF file) – "there are still costs that solar customers do not pay, such as substations, power lines, poles and other infrastructure. That amounts to a subsidy of about \$1,000 per year for each solar installation, or \$20,000 over a lifetime – paid by all customers without rooftop solar". APS should have been aware of these costs and considerations when they implemented a roof top solar program. These proposed charges are not fair to the APS roof top solar customers and will zero out any savings of the roof top solar systems. I feel this proposal will decimate any roof top solar program. Also, it is my understanding that roof top solar customers do pay those proposed charges on the KWs drawn from the APS grid during non solar generating periods.

Also, I received a notice with this month's APS bill that effective July 1 the rebate for solar excess, which is tied to the price of natural gas, is being reduced by 2/3. I have not found anything or anyone; yes I have talked to APS, which can explain why the rebate for excess solar energy is tied to the price of natural gas. APS representatives have stated that the rebate rate is tied to the price of natural gas by the Arizona Corporation Commission and further explained the price of natural gas in 2009, when the rate was established, was at an

all time high and has dropped since and is now being adjusted accordingly. However, can someone at the commission explain to me why the rebate rate is tied to the price of natural gas and also elaborate on why the rebate rate is not tied to something comparable to the cost of generating a KW rather than a component of generating a KW.

Thank you for your time – I would submit an official comment and question if I could find a docket # to associate this to.

Respectfully
Joe Botsko
602-978-8565

Bob Stump

From: Heather Goebel <hlgoebel@yahoo.com>
Sent: Sunday, August 11, 2013 6:31 PM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-Web; RBurns-Web
Subject: ACC Key Issues/Press Releases?

I am very concerned about possible net metering changes which APS wants so it is able to make more money in these times of slumping electrical demand and increased energy efficiency.

Why would you have the fox study the contents of the hen house?

When I go to the ACC commission webpage to read more about the issue I turned to the "Key Issues" and "Press Releases" section to learn more about the prospective changes which you may make based on one of the utility's that you regulates own studies that say the ACC should make residential solar customers pay more to make up for slumping electrical demand and increased energy efficiency.

When I glance through these two ACC webpage sections I find nothing about net metering.

Supposedly deep in the inpenetrable docket section of your website there is some information about it. Where is it please?

When I type "Technical Conferences" to learn more about the conferences secretly held Feb-May, I have trouble finding those as well.

I have solar on my home and yet I heard nothing from anyone about these conferences until long after they were concluded.

Which residential stakeholders were invited (and attended) these technical conferences?

Where do I read the final report from APS about its recommendation that the ACC allow it to charge solar customers more now that residential solar customers have increased their energy efficiency and added solar to their rooftops as suggested?

When are the public hearings being held?

You're doing a great job of killing residential solar after the utilities encouraged us to install rooftop solar.

Heather Goebel
Phoenix, Arizona 85051