

OPEN MEETING AGENDA ITEM



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AZ CORP COMMISSION
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ORIGINAL

Commissioner Brenda Burns
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Bob Burns
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Susan Bitter Smith
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Chairman Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Gary Pierce
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Dear Commissioners:

Arizona has grown to become a supporter of clean energy produced by solar panels. This new and ever-growing technology is capable of bringing our state sources of sustainable clean energy, Currently we have a net-metering policy allowing customers who use solar panels to buy power with credits they receive for their excess power that they sell to electric companies, usually at full retail electricity rate. The problem with this policy is that these net-metered, solar customers are able to avoid paying costs associated with using the power grid.

The way it's currently structured, the Arizonans without solar panels, the people who either can't afford solar or choose not to use solar, are left holding the bag to absorb these infrastructure costs through higher utility bills, to subsidize the cost for those who chose solar. This is simply not fair and must be fixed now.

It's time for this policy to be updated to be fair for all ratepaying Arizonans. It is unfair to require those non-solar panel users to pay more in power costs, while exempting solar customers who also rely on the power grid. I urge the commission to review this policy so we are no longer penalizing the non-solar users.

Sincerely,

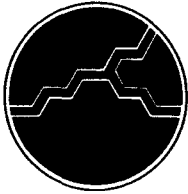
Bob Barrett
Mayor

Arizona Corporation Commission

DOCKETED

OCT 17 2013

DOCKETED BY



City of YUMA

**OFFICE OF THE MAYOR
AND CITY COUNCIL**

City of Yuma
Mayor and Council Office
One City Plaza
Yuma, Arizona 85364

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MAYOR
Alan L. Krieger

DEPUTY MAYOR
Leslie L. McClendon

COUNCILMEMBERS

Cody T. Beeson
Bobbi Lewis
Paul Johnson
Jerry Stuart
Edward C. Thomas

October 8, 2013

Dear Commissioners:

It has been gratifying to see new homes being built with solar panels on the rooftops, but at this point one would think that older homes would be the ones with the panels. When I found out how much it costs to have solar panels installed, it made sense to me why they would show up more often in new construction. The cost of the solar panels would just be a part of the new house price.

What surprised me further was when I learned that solar users and non-solar users both utilize the same electric grid, yet the non-solar users are actually subsidizing these costs, making solar more affordable for the solar-users.

The great imbalance in this system needs to be resolved immediately. Many of the non-solar users don't have solar panels because they do not have the means to make such a substantial investment. This means that the people who are being penalized here are largely those with lower or fixed incomes and they are being penalized so the more affluent receive a financial break.

Recently, I have read a few articles stating that the Commission is trying to find a solution to this problem of fairness to those of us non-solar users, who pay in-part for those who do have solar panels. We are encouraged to hear that you are working on this, although I don't believe your staff's recent recommendation goes anywhere near correcting this growing problem.

I am sure you will find a way to resolve this sensitive issue, because the longer this injustice continues, the worse the outcry will become.

Thank you,

Alan L. Krieger
Mayor

Jim Waring

[REDACTED]
Scottsdale AZ 85254

October 8, 2013

Chairman Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Dear Commissioner,

Arizona has done an excellent job of adopting policies like net-metering to harness the power of the sun and incentivize the use of residential solar panels that keep our state's power source clean and safe. I am glad commission staff is reviewing its current practice and proposing alternatives in order to address concerns about fairness.

As a supporter of the use of solar power, I believe in supporting the residential user. However, many non-solar users are people who can't afford the sizable investment that is needed to install rooftop solar panels. I have concerns that, during a time when the economy has still not completely recovered, that infrastructure costs are being shifted to those who can least afford to bear that burden. Ultimately, Arizonans without solar panels are seeing their utility bills rise.

I urge the Commission to update the policy to reflect this issue of fairness while at the same time supporting the use of solar in Arizona.

Sincerely,



Jim Waring

Carolyn S. Allen

██████████ Scottsdale, AZ 85258 | ██████████

October 7, 2013

Commissioner Bob Burns
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Susan Bitter Smith
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
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Chairman Bob Stump
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Phoenix, Arizona 85007

Commissioner Gary Pierce
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Dear Commissioners,

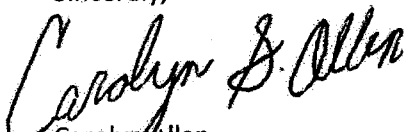
The benefits of installing rooftop solar panels have become apparent to Arizona residents over the past few years. Programs like net-metering have encouraged more and more residents to invest in solar panels. This program has helped grow the solar market, but it has created an imbalance in that the solar customers are not required to pay for upkeep of the power grid, pushing the costs onto the non-solar users.

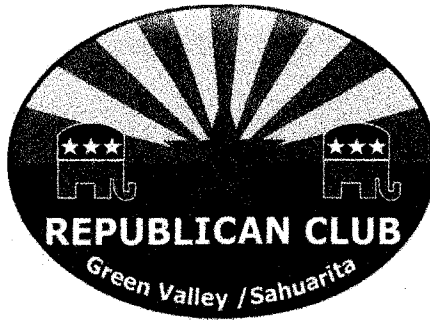
The expansion of the rooftop solar panel market has morphed net-metering from an incentive program in to a subsidy program. The current program is effectively charging non-solar customers more, so that solar is more affordable to the solar users. These net-metered, solar customers are avoiding paying for their share of the power grid, such as maintenance, infrastructure, and safety measures.

All energy consumers rely on the power grid, and it's unfair to expect the shrinking number of non-solar users to cover the cost for the growing number of solar users. There are many Arizonans who would like to have solar panels, but cannot afford the investment. This program is essentially creating a tax on lower-income families and those who choose not to use solar panels.

The Commission's staff suggested some changes to the net-metering policy recently, which at least acknowledges the need for change in the policy, but their recommendation is far from resolving the imbalance in the system. This recommended adjustment is not nearly enough to alleviate the burden placed on non-solar customers. Rooftop solar panels will continue to grow more common in Arizona as time goes on. That is why it's so important to update our net metering policies now, as the weight of the financial burden forced on the non-solar users will only grow.

Sincerely,


Carolyn Allen



TO: Commissioners Bob Stump, Brenda Burns, Susan Bitter Smith, Bob Burns, and Gary Pierce
Arizona Corporation Commission, Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Dear Commissioners;

For years I've been a supporter of solar power; however, it is only recently that I've read a few articles in the news addressing the issue. Many supporters like me would love the benefit of solar power in our homes and can see that in time we'd save lots of money on our monthly utility bills. The first problem we've encountered is that to install it is just too expensive and even if we saved monthly, it would take a long time to recover our initial cost.

Until recently I had not realized that even when users are selling their overage back to the power companies, they are not being charged for the use of the infrastructure that regular power users pay. This is a very large problem and I'm very pleased to read that you are trying to solve this problem of inequity. I hope that you act on it very soon.

In time, I hope to be able to purchase my own solar power panels and reap the benefits, but I wouldn't expect to be exempted from the cost that is being carried by everyone else.

Thank you for your attention to this matter. I realize this isn't an easy issue for you to solve, but I'm sure that collectively and with a lot of expert input, you will be able to come to a reasonable solution.

Sincerely,

Don and Patti Woolley

Sahuarita, Arizona 85629

E-01345A-13-0248

October 9, 2013

Royal Norman

[REDACTED]
Scottsdale, AZ 85255

Mr. Bob Stump
Chairman, Corporation Commission
1200 West Washington – 2nd Floor
Phoenix, AZ 85007

Re: Against reducing solar incentives

Dear Mr. Stump,

We've had solar panels for nearly four years. While our main motivation for going "solar" was for cleaner energy, I must admit the incentives provided were a positive part of the equation. We thought we were "partners" with APS to try and get more solar power into our state. Apparently, I was wrong.

Net metering, as it currently stands, should stay in place. That's the contract we made with APS when we signed up. If there is an extra cost that other consumers are bearing that solar customers are not, I would remind you there is a pretty big cost for solar consumers to get started in the first place. Maybe that's apples and oranges, but it's not as if solar customers are getting off lightly.

Further, we're on track to make up our investment in probably 8-9 years total....so about 5 years from now the savings will have paid for the installation. And then this house, for whoever lives in it, has a virtually free source of energy for the lifetime of the panels. I think that's pretty cool. But is that the threatening part to APS?

I urge you to reject the APS proposal to reduce solar incentives.

Thank you for your service to our community.

Sincerely,



Royal Norman

TRIDENT COMMERCIAL

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Friday, October 11, 2013

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Enterprise Zones

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Strategizing

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Right-of-Way

Flood Control

A.D.A. Review

Building Safety Inspection

Zoning Issues

Industrial Development Bonds

Real Estate Contracts

Airport Environs

Chairman Bob Stump
Arizona Corporation Commission
1200 W Washington St 2nd Floor
Phoenix, AZ 85007

Dear Commissioner Stump:

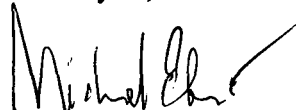
Using solar energy to generate electricity has been discussed for the past 20 years, and only became divisive when it became a political issue. I remember when everyone was for it, and while that still may be the case, the policies surrounding it have become a problem that needs revisiting.

The net-metering program was put in place many years ago to boost the use of residential rooftop solar panels, and has been effective in this respect. The problem is that under this policy, the solar users sell their excess energy to the utility company at very high rates, in exchange for credits to be used for energy to buy as they need it. With this structure, the solar customers are able to dodge the infrastructure costs that are being paid by the non-solar users in their energy bills.

The policy is so imbalanced that the result is that the non-solar customers are subsidizing those who do in terms of paying for infrastructure. The non-solar users are those who can least afford it. It's crazy to me that these people, many of whom are low-income Arizonans, are being forced to pay extra, to benefit those who chose solar energy. It should be an equitable policy, and it currently is not.

In these turbulent political times, I'm sure you have plenty of problems to wrestle with, but I'm hoping that you can come up with some answers that will stop lower income folks from bearing a financial weight while the more affluent get a break. The Commission's own staff has acknowledged that there is a problem. I'm hoping you will present a solution so that everyone is paying their fair share.

Thank you,


Michael Ebert

Over 25 years of commercial real estate brokerage and consulting experience with prior experiences in sales and management consulting.

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...making the right move



ARIZONA BROKERS

Commissioner Brenda Burns
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Bob Burns
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

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Chairman Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Gary Pierce
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Dear Commissioners:

Slowly Arizona has seen an increase of solar power panels cropping up over our state. We've talked about how absurd it is not to harness the power of the sun which is so abundant here, but it has taken years to see more than a handful of homes that have it. The biggest reason for that is the unexpected cost of installing the panels. Many people would love to enjoy the savings from having solar power, but they simply cannot afford the initial cost.

Solar energy should be a very important component of Arizona's future. As we plan infrastructure and growth continues, solar should be at the very heart of those plans. You must figure out how to take the burden of paying for the costs of the electrical grid and distribute it evenly among all who use it – both solar users and non-solar users. It's simply not fair that the elderly and low-income residents of this state are subsidizing costs for a service they cannot even afford.

We are so glad to read that the Commission has recognized that this is a problem, and we realize you have quite a way to go before net-metering is on fair and reasonable footing, but we thank you for seeing that those least able to afford solar panels are helping to pay for the monthly savings enjoyed by those who can afford it. This is just fundamentally unfair and I assume you'll apply your considerable wit and wisdom to a fair conclusion.

Thank you,

Barbara J. Bathen, GRI
Owner/Broker
Arizona Brokers



I N D U S T R I E S

Mr. William R. Assenmacher
President & CEO
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October 7, 2013

Chairman Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, AZ 85007

Dear Chairman Stump,

I think that it is safe to say that Arizona's growing solar industry is part in due to our state's net-metering laws that were instituted a long time ago. It, along with our abundant sunshine, helped rooftop solar become a viable option for many Arizonans across the state.

The time has come, though, for us to revisit those net-metering billing policies. Now that solar has had the push it needed to get off the ground and running, I believe that we need to address the disadvantage in the system to the traditional energy customers. These non-net-metered customers are the primary payers for infrastructure costs associated with the electrical grid, when the solar net-metered customers are also using the grid – to sell excess power and buy power as needed, in the form of credits. The poles, wires, and technological improvements are all being paid for by non-solar users, and for low-income Arizonans or seniors on a fixed income, this cost has simply become too much to bear.

I would like to conclude this letter by asking you to update our state's net-metering policies right away to better reflect the energy state we have now, not years ago. It is important that everyone pays their fair share to maintain a safe and reliable grid. Solving this inequity sooner rather than later is the best course of action.

Sincerely,

A handwritten signature in black ink, appearing to read "William R. Assenmacher".

William R. Assenmacher

JEFF DIAL

Chairman Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Gary Pierce
Arizona Corporation Commission
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1200 W. Washington - 2nd Floor
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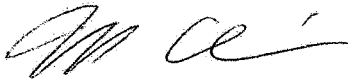
Dear Commissioners:

Over the past few decades, we have seen solar grow from being a niche industry to a viable alternative for Arizona homeowners. That growth has been part in due to the policies that have been implemented along the way by forward-thinking leaders and elected officials who saw the great opportunity Arizona had to become a leader in the solar industry. Now we are at a point where we should reevaluate the policies that were implemented so long ago, and ask if they are still right for our current day energy market.


I believe that solar customers who are selling back power to the utility companies have a responsibility to pay their fair share for the equipment that allows them to do so. Right now, non net-metered customers are basically the only ones paying for utility infrastructure despite the reality that both solar and non-solar users are using that very infrastructure. This is unfair for the regular Joe who does not have solar, but it is especially unfair for the seniors or low-income families who can no way afford solar on their roofs.

I know that your staff has recommended changes, and I hope that you will take their initial recommendations to the appropriate (much higher) level to ensure that this subsidy for the solar users does not continue any longer.

Sincerely,



Jeff Dial
State Representative


Chandler AZ 85224


from the desk of . . . Joe Galli

October 10, 2013

Chairman Bob Stump
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Commissioner Gary Pierce
Arizona Corporation Commission
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Commissioner Bob Burns
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Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Dear Commissioners:

It is nice to know that Arizona has so readily embraced alternative energies. Given that solar power generation fits so well with one of our best natural resources (sunshine), Arizona is now home to one of the fastest growing solar alternative energy sources.

The Governor has done a tremendous job of promoting solar use for businesses and homeowners alike over the years. The net-metering policies that are currently in place have had many benefits for customers, but it certainly has not been perfect. The Commission Staff has already said there are issues with current net-metering policies, which is why I drafted this letter.

I believe a change must be made now.

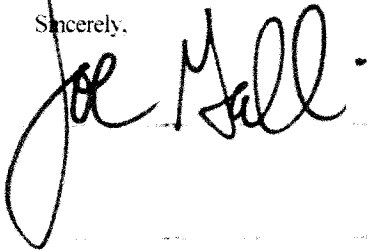
Net-metering punishes traditional energy consumers by requiring traditional consumers to pay for infrastructure costs that support the power grid, in the form of higher utility bills. Net-metered customers do not have to pay for such costs when they are using the same grid - to buy power, and also to sell power. This inequity strikes me as an uneven playing field for traditional consumers.

Please fix this problem soon, and do not let the inequity languish.

The Corporation Commission has a great history of placing Arizona ratepayers as priority number one.

Please continue this great history by correcting the net-metering policies.

Sincerely,



[REDACTED]
Scottsdale, Arizona 85255

[REDACTED]