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OPEN MEETING AGENDA ITEM *FE 01345A-13-0248*



*Partnership for Affordable Clean Energy*  
P.O. Box 70072 • Montgomery, AL 36107 • 334.294.9673

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

**ORIGINAL**

Dear Commissioner Stump,

On behalf of the Partnership for Affordable Clean Energy (PACE), I'm writing to encourage you to modernize Arizona's net metering policy. By doing so, you can help protect customers against inequities in electricity rates by ensuring that the fixed costs of maintaining the electricity grid are distributed fairly.

The Commission has an opportunity to set an important national precedent for the treatment of residential distributed generation, particularly in showing other markets the smart and sustainable way to compensate solar customers for their electrical generation.

Doing so will ensure that Arizona does not go the way of California and Hawaii, where the rapid deployment of solar rooftops created inequities for other customers. Non-solar customers in Hawaii were forced to pay as much as 17¢/kWh more for electricity due to unfair net metering practices<sup>1</sup>, while state policy in California will cause non-solar customers to pay an additional \$1.3 billion<sup>2</sup>.

Please take this opportunity to avoid such situations by creating a fair and equitable plan for net metering Arizona that should rightly serve as a responsible national model.

Sincerely,

Lance Brown  
Executive Director

Arizona Corporation Commission

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<sup>1</sup> Pacific Business News, "Hawaiian Electric to Raise Rates Because of Solar Losses," Staff Report, 2/6/2012

<sup>2</sup> SFGate, "Solar Power Adds to Non-Users' Costs," Christopher Martin and Mark Chediak, 12/17/12