

OPEN MEETING AGENDA ITEM



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ORIGINAL

CHARLES F. McERLEAN, JR.
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RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

OCTOBER 26, 2013

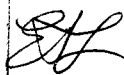
2013 OCT 28 PM 2 00

Arizona Corporation Commission

DOCKETED

OCT 28 2013

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

DOCKETED BY	
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Re: Docket No. E-01345A-13-0248
In the Matter of the Application of Arizona
Public Service Company for Approval of Net
Metering Cost Shift Solution

Enclosed for filing are an original and 13 copies of an addendum to a Protest I filed on October 24, 2013.

Also enclosed is an extra copy and a stamped self addressed envelop. Please add the receipt stamp to this copy and return it to me.

Thank You.

Sincerely,


Charles F. McErlean, Jr.

Enclosures

OPEN MEETING AGENDA ITEM

1 Charles F. McErlean, Jr.
2 2733 N. 164th Avenue
3 Goodyear, Arizona 85395
4

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AZ CORP COMMISSION
DOCKET CONTROL

5 **BEFORE THE ARIZONA CORPORATION COMMISSION**
6

7 Bob Stump, Chairman Gary Pierce, Commissioner
8 Brenda Burns, Commissioner Robert L. Burns, Commissioner
9 Susan Bitter Smith, Commissioner
10

11 IN THE MATTER OF THE APPLICATION)
12 OF ARIZONA PUBLIC SERVICE COMPANY)
13 FOR APPROVAL OF NET METERING COST) Docket No. E-01345A-13-0248
14 SHIFT SOLUTION)
15)

16
17 **ADDENDUM TO**
18 **PROTEST OF C. F. MCERLEAN, JR.**

19
20 On October 24, 2013, I filed a Protest in the above matter with the Arizona Corporation
21 Commission (Commission) pursuant to A.A.C. R14-3-106. This addendum supplements matters
22 covered in that Protest with legal references and makes an additional request of the Commission.

23 1. Section A.6, page 4, of the Protest raises the question of the relationship between APS
24 and its solar customers. The obvious choices are competitor or partner. However, treating solar
25 customers as independent competitors would introduce undesirable complexity. For example,
26 laws governing competitors and competition could come into play. What, if any, ramifications
27 that status had in relation to the regulatory scheme under the Commission's jurisdiction would
28 need to be explored. The partnering concept is much simpler and consistent with arrangements
29 contemplated by Arizona Revised Statutes (A.R.S.), Section 40-332(B).

30 2. Section C. 3, page 7, of the Protest discusses the demand charge which APS concedes is
31 an imperfect solution. At page 8, line 15, the Protest makes the point that "short handing " is not
32 acceptable rate making. That method gives no assurance that the rates meet the just and
33 reasonable requirements of A.R.S. Section 40-361. A hearing is required.

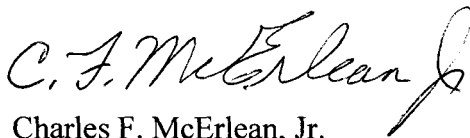
34 3. Sections C. 5 and 6, page 9, of the Protest discuss the taking of solar customer energy at
35 rates based on utility marginal cost. Because these rates do not cover the solar customer's costs,
36 they do not meet the just and reasonable requirements of A.R.S. Sections 40-332(B) and 40-361.

1 4. Section C. 8, page 10, of the Protest addresses a legality issue concerning the exemption
2 of business solar from APS's proposal and cites A.R.S. Section 40-203. Section 40-334 also
3 applies.

4 5. Staff alternative rate proposals are subject to these same statutory requirements and
5 should be subjected to the same scrutiny.

6 6. Solar customers simply bought into a program designed by our Federal and Arizona
7 governments, the Commission, and APS. If the program is flawed, or APS failed to manage its
8 capacity properly, or both, then needed adjustments should be identified and applied within the
9 confines of the policy goals. However, it is misleading, a deceptive practice and a mockery of the
10 Commission's proceedings to demonize solar customers over this problem. APS should abide by
11 the standards applicable to Pinnacle West's 10-K. Accordingly, the Commission is requested
12 pursuant to A.R.S. Sections 40-202(C)(1), 40-202(I) and 40-203 to order APS to cease and desist
13 directly, and indirectly through financial support to others or otherwise, from any actions that
14 might mislead the public as to solar customers and the real issues in this matter as disclosed in
15 Pinnacle West's 10-K. APS should also be ordered to issue retractions in print and electronic
16 media including follow up of any further such advertising with disclaimers likewise published.
17

18 Respectfully submitted.

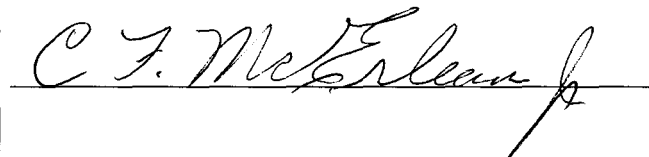


19 Charles F. McErlean, Jr.
20 2733 N. 164th Avenue
21 Goodyear, AZ 85395
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23

24 An original and thirteen copies of the foregoing were filed by mail on October 26, 2013 with:

25
26 Docket Control Arizona Corporation Commission
27 1200 West Washington
28 Phoenix, Arizona 85007
29

30 I hereby certify that on October 26, 2013, I served this document by mailing a copy thereof,
31 properly addressed, first class postage prepaid, to the parties shown on the attached list.
32
33

34 

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