

OPEN MEETING AGENDA ITEM



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ARIZONA CORPORATION COMMISSION

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November 8, 2013

AZ CORP COMMISSION  
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Arizona Corporation Commission  
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ORIGINAL

Commissioner Brenda Burns  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

RE: ARIZONA PUBLIC SERVICE COMPANY NET METERING APPLICATION  
(DOCKET NO. E-01345A-13-0248)

Dear Commissioner Burns:

Staff submits this in response to your letter docketed on November 4, 2013. The following attachment addresses the question raised in your November 4th letter regarding the issue of the annual cost shift, as well as the cost shift over a 20 year period for each 20 MW increment. Staff assumed an average system size of 7 kW, which results in approximately 2,857 systems for each 20 MW increment. Staff looked at the first five 20 MW increments under Residential Utility Consumer Office's ("RUCO") proposal for both short and long-term cost shifts of \$50 and \$21, respectively. Under RUCO's proposal the long-term cost shift is corrected by the fifth 20 MW increment and no additional dollars are shifted from non-DG to DG customers.

I hope this response is helpful and provides you with the information you need. Please feel free to contact me with any further questions you may have.

Steven M. Olea  
Director  
Utilities Division

SMO:PL:lhm

Attachment

cc: Chairman Stump  
Commissioner Pierce  
Commissioner Burns  
Commission Bitter Smith  
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