

OPEN MEETING AGENDA ITEM
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Erica Schroeder CA Bar No. 273560*
KEYES, FOX & WIEDMAN LLP
436 14th Street, Suite 1305
Oakland, CA 94612
Telephone: (510) 314-8206
Email: eschroeder@kfwlaw.com
*appearing *pro hac vice*

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AZ CORP COMMISSION
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Giancarlo G. Estrada AZ Bar No. 028266
ESTRADA-LEGAL, PC
One East Camelback Road, Suite 550
Phoenix, Arizona 85012
Telephone: (602) 635-7414, Fax: (602) 635-7421
Email: gestrada@estradalegalpc.com

Arizona Corporation Commission

DOCKETED

NOV 13 2013

DOCKETED BY

Attorneys for: INTERSTATE RENEWABLE ENERGY COUNCIL, INC.

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION
OF ARIZONA PUBLIC SERVICE
COMPANY FOR APPROVAL OF NET
METERING COST SHIFT SOLUTION.

Docket No. E-01345A-13-0248

**PROPOSED AMENDMENT OF INTERSTATE RENEWABLE ENERGY COUNCIL,
INC. (IREC)**

The Interstate Renewable Energy Council, Inc. (IREC) files a proposed amendment in this docket. IREC continues to strongly support Staff's primary recommendation that the Commission should resolve the issues raised in this docket in a rate case. In addition, IREC continues to agree with Staff that the Commission should develop an agreed-upon methodology for the valuation of distributed generation to inform any net metering policy changes. In her amendments proposed on November 12, 2013, Commissioner Bitter Smith acknowledges that it may be beneficial to offer some more up-front structure to the workshop process proposed by Staff. IREC agrees and we respectfully request that the Commission consider the amendment attached to this filing.

PROPOSED AMENDMENT

1 Our recommended amendments reflects best practices in distributed generation valuation
2 methodology contained in IREC's *Regulator's Guidebook*, which in turn are based in part on
3 studies done in Pennsylvania, Vermont and California. The list of considerations in this
4 amendment are not intended to be exhaustive; we are attempting to highlight some of the most
critical elements. IREC believes that there are other very important factors to consider and we
look forward to participating in the proposed workshop process.

5 Respectfully submitted this 8th day of November, 2013,

6
7 /s/ Erica Schroeder

8 Erica Schroeder
9 KEYES, FOX & WIEDMAN LLP
10 436 14th Street, Suite 1305
Oakland, CA 94612
11 Telephone: (510) 314-8206
Email: eschroeder@kfwlaw.com

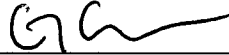
12 Giancarlo G. Estrada
13 ESTRADA-LEGAL, PC
14 One East Camelback Road, Suite 550
Phoenix, Arizona 85012
15 Telephone: (602) 635-7414, Fax: (602) 635-7421
Email: gestrada@estradalegalpc.com

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17 Attorneys for: INTERSTATE RENEWABLE
ENERGY COUNCIL, INC.
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1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I have this day filed an original and thirteen copies of the foregoing with
3 Docket Control and all parties of record in this proceeding.

4 Dated this 13th day of November, 2013, in Phoenix, Arizona.

5 

6 Giancarlo G. Estrada
7 ESTRADA-LEGAL, PC
8 One East Camelback Road, Suite 550
9 Phoenix, Arizona 85012
Telephone: (602) 635-7414, Fax: (602) 635-7421
Email: gestrada@estradalegalpc.com

10 Attorney for: INTERSTATE RENEWABLE
11 ENERGY COUNCIL, INC.

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PROPOSED AMENDMENT

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PROPOSED AMENDMENT

INSERT new Findings of Fact after #52, page 14, line 8:

53. In developing such a methodology, at least the following assumptions and inputs should be considered:

- (a) the appropriateness of analyzing energy exports only (versus all generation);
- (b) which rate classes to evaluate (residential, commercial, etc.);
- (c) the time frame for the study (e.g., 30 years); and,
- (d) the appropriateness of estimating benefits and costs on levelized basis (versus an annualized basis).

54. Furthermore, at least the following benefits should be considered:

- (a) avoided energy costs;
- (b) avoided system losses (i.e., avoided line losses);
- (c) generation capacity benefits;
- (d) transmission and distribution capacity benefits; and,
- (e) grid support services (i.e., ancillary services);

INSERT new additional sentence at end of Ordering Paragraph, page 21, line 21 (or at the end of Commissioner Bitter Smith's proposed amendment):

This investigation shall include, but not be limited to, consideration of the assumptions, inputs, benefits and costs described above.

MAKE ALL CONFORMING CHANGES.

PROPOSED AMENDMENT