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AZ CORR COMMISSION
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TO:

Commissioner Robert L. Burns
Arizona Corporation Commission
400 West Congress St.
Tucson, AZ 85701

Arizona Corporation Commission
DOCKETED

FROM:

Carrie Cullen Hitt
Solar Energy Industries Association
505 9th St. NW, Suite 800
Washington, D.C. 20004

JAN 28 2014

DOCKETED BY

RE: Innovations and Technological Developments, Docket No. E-00000J- 13-0375

Dear Commissioner Robert L. Burns,

The Solar Energy Industries Association (SEIA¹) greatly appreciates the opportunity to comment on the “Innovations and Technological Developments” docket opened on November 4, 2013.² This letter is written in response to the letter filed by Commissioner Burns on December 5, 2013 requesting feedback on the scope of the docket.

The proposed topics will be important components of the utility of the future, and therefore, the workshops hosted by the Arizona Corporation Commission (Commission) to discuss and explore these topics are pertinent and timely. The electric grid and energy markets are undergoing rapid and significant change with the increased adoption of new technologies such as distributed generation, utility solar (including utility scale energy storage), customer load management technology, and energy efficiency. We are encouraged that the Commission recognizes this transformation. SEIA welcomes discussions on these issues in the hope that they will lead to a framework that makes the adoption of new technologies a “win-win” for all parties – customers, utilities, developers and ratepayers.

SEIA recognizes that considering these matters is no small task. However, Arizona has access to some excellent resources to tackle the questions raised in this docket. SEIA recommends that the Commission review “America’s Power Plan,”³ a project undertaken in 2013 which consisted of recommendations by more than 150 top energy experts to “tackle the tough questions and propose a path to overcoming regulatory, legal and economic barriers to a cleaner energy future.” This Plan recognizes that “new technologies require new rules – new

¹ The positions expressed herein are the positions of SEIA and not the positions of any individual member company

² Docket No. E-00000J-13-0375

³ <http://americaspowerplan.com/>

business models, new market designs, and new regulations – that foster innovation instead of stifling it.”

In addition to the topics raised by Commissioner Burns, SEIA respectfully suggests that the topic of utility business models should be included within this docket. For example, one of the recommendations from “America’s Power Plan” is to “Move away from rate-of-return regulation; use performance-based regulation that gives utilities the freedom to innovate or call on others for specific services. Separate the financial health of the utility from the volume of electricity it sells.” This is a relevant topic for discussion within these workshops.

Further, SEIA proposes that the authors of “America’s Power Plan” would make excellent speakers for upcoming workshops. In particular, the following individuals would be excellent speakers, as each authored sections that overlap significantly with the issues raised in this docket: Ronald Lehr, former Colorado PUC Commissioner (author of “New Utility Business Models: Utility and Regulatory Models for the Modern Era”), James Newcomb, Virginia Lacey, Lena Hansen and Mathias Bell from the Rocky Mountain Institute (authors of “Distributed Energy Resources Policy: Policy Implications of Decentralization”), Joseph Wiedman of the Interstate Renewable Energy Council and Tom Beach of Crossborder Energy (authors of “Distributed Generation Policy: Supporting Generation on Both Sides of the Meter”). Additionally, Kevin Fox of distributed generation firm Keyes, Fox and Wiedman, would be an excellent speaker. Please contact me directly if you would like their individual contact information.

Again, thank you for creating a forum for this much needed dialogue. It is clearly an exciting opportunity and one that could create a pathway to the utility model of the future.

Sincerely,



Carrie Cullen Hitt
Senior Vice President, State Affairs
Solar Energy Industries Association