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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

COMMISSIONERS

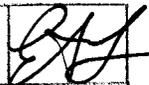
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DOCKETED

- BOB STUMP - Chairman
- GARY PIERCE
- BRENDA BURNS
- BOB BURNS
- SUSAN BITTER SMITH

NOV 13 2014

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DOCKETED BY 

ORIGINAL

IN THE MATTER OF THE PROPOSED
RULEMAKING TO MODIFY THE RENEWABLE
ENERGY STANDARD AND TARIFF RULES.

DOCKET NO. RE-00000C-14-0112

PROCEDURAL ORDER

BY THE COMMISSION:

At the November 12, 2014, oral proceeding to discuss and obtain comment regarding the Notice of Proposed Rulemaking for this docket, the Commission's Utilities Division ("Staff") was asked to respond to alternately worded rule language. Because Staff expressed a desire to have the alternate language in writing, it was determined that Staff would provide its responses at the oral proceeding in Phoenix on November 14, 2014, and that the alternate language would be docketed herein.

IT IS THEREFORE ORDERED that Staff shall, at the oral proceeding on November 14, 2014, respond to the following questions posed at the oral proceeding on November 12, 2014:

1. Would the purpose of 1805(F) and 1805(G) be met by language reading as follows:
 - "F. An affected utility may not use or extinguish a REC for which the affected utility is not the original owner unless the REC has been transferred to the affected utility in accordance with R14-2-1803.
 - G. An affected utility's reporting of the kilowatt-hours associated with RECs created in the affected utility's service area, but not owned by the affected utility, as required by the Commission in R14-2-1812(B), does not constitute use of the associated RECs for purposes of compliance with R14-2-1804 or 1805, and does not result in extinguishment or retirement of the RECs for purposes of this article."
2. Is 1812(B)(1) intended to require reporting that includes "the actual kilowatt-hours of energy produced by eligible renewable energy resources within an affected utility's service territory, differentiating between the kilowatt-hours for which the utility owns the RECs and the kilowatt-hours for which the utility does not own the RECs"?

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3. If 1804(D) were to say “any other regulatory requirement imposed by the Commission,” would that be consistent with what Staff’s understanding of the rule is?

4. Looking at 1804(D) and 1805(C), would the rules be clearer if the rule language, instead of saying what it does, said:

“Once a REC is used by an affected utility to satisfy the requirements of R14-2-1804 or R14-2-1805, the REC may not be used again to satisfy the requirements of 1804 or 1805.

The reporting of kilowatt-hours associated with RECs not owned by an affected utility, as required by the Commission in R14-2-1812(B), does not impact the availability of the associated RECs for use to satisfy the requirements of 1804 or 1805.”

5. Should any of these rule provisions specifically refer to BTUs in addition to kWhs?

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at a proceeding.

DATED this 13th day of November, 2014.


SARAH N. HARPRING
ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed
 2 this 15 day of November, 2014, to:

3 Tyler Carlson
 4 Peggy Gillman
 5 Mohave Electric Cooperative, Inc.
 6 P.O. Box 1045
 7 Bullhead City, AZ 86430-1045

8 Gregory Bernosky
 9 Arizona Public Service Company
 10 400 N. 5th St., MS 9708
 11 Phoenix, AZ 85004

12 Deborah Scott
 13 Thomas Loquvam
 14 Arizona Public Service Company
 15 400 N. 5th St., MS 8695
 16 Phoenix, AZ 85004

17 Ruel Rogers
 18 The Morenci Water & Electric Company
 19 P.O. Box 68
 20 Morenci, AZ 85540

21 Creden Huber
 22 Sulphur Springs Valley Electric Cooperative, Inc.
 23 350 N. Haskell Ave.
 24 Willcox, AZ 85643

25 Kirk Gray
 26 Graham County Electric Cooperative, Inc.
 27 P.O. Drawer B
 28 Pima, AZ 85543

Carline Gardiner
 Trico Electric Cooperative, Inc.
 P.O. Box 930
 Marana, AZ 85653-0930

Charles Moore
 Navopache Electric Cooperative
 1878 W. White Mountain Blvd.
 Lakeside, AZ 85929

Michael Patten
 Roshka DeWulf & Patten, PLC
 One Arizona Center
 400 E. Van Buren St., Suite 800
 Phoenix, AZ 85004

Roy Archer
 Ajo Improvement Company
 P.O. Drawer 9
 Ajo, AZ 85321

Michael Pearce
 Duncan Valley Electric Cooperative, Inc.
 P.O. Box 440
 Duncan, AZ 85534

Annie Lappe
 Rick Gilliam
 The Vote Solar Initiative
 1120 Pearl St., Suite 200
 Boulder, CO 80302

Timothy Hogan
 Arizona Center for Law in the Public Interest
 202 E. McDowell Rd., Suite 153
 Phoenix, AZ 85004

Giancarlo Estrada
 Kamper, Estrada & Simmons
 3030 N. 3rd St., Suite 200
 Phoenix, AZ 85012

David Berry
 Western Resource Advocates
 P.O. Box 1064
 Scottsdale, AZ 85252-1064

Bradley Carroll
 Tucson Electric Power Company
 88 E. Broadway Blvd. MS HQE910
 P.O. Box 711
 Tucson, AZ 85702

Kevin Koch
 612 N. Seventh Ave.
 Tucson, AZ 85705

Daniel Pozefsky
 Residential Utility Consumer Office
 1110 W. Washington, Suite 220
 Phoenix, AZ 85007

Garry D. Hays
 The Law Office of Garry D. Hays PC
 1702 E. Highland Ave., Suite 204
 Phoenix, AZ 85016

C. Webb Crockett
 Patrick J. Black
 Fennemore Craig, P.C.
 2394 E. Camelback Rd., Suite 600
 Phoenix, AZ 85016

1 Michael Neary
 Arizona Solar Energy Industries Association
 111 W. Renee Dr.
 2 Phoenix, AZ 85027

3 Craig Marks
 10645 N. Tatum Blvd., Suite 200-676
 4 Phoenix, AZ 85028

5 Deborah Scott
 P.O. Box 53999
 6 Phoenix, AZ 85072

7 Kyle Smith
 Office of the Judge Advocate General
 8 U.S. Army Legal Services
 9275 Gunston Rd.
 9 Fort Belvoir, VA 22060-5546

10 Karen White
 U.S. Air Force Utility Law Field
 11 Support Center
 139 Barnes Dr.
 12 Tyndall AFB, FL 32403

13 Christopher Thomas
 Fred E. Breedlove III
 14 Squire Sanders (US) LLP
 1 E. Washington, 27th Floor
 15 Phoenix, AZ 85004

16 Scott Wakefield
 Ridenour, Hienton & Lewis, PLLC
 17 201 N. Central Ave., Suite 3300
 18 Phoenix, AZ 85004-1052

19 Rick Umoff
 Solar Energy Industries Association
 505 9th St. NW, Suite 800
 20 Washington, DC 20004

21 Court Rich
 Rose Law Group PC
 22 7144 E. Stetson Dr., Suite 300
 23 Scottsdale, AZ 85251

24 Michael Curtis
 William Sullivan
 Curtis, Goodwin, Sullivan, Udall &
 25 Schwab, P.L.C.
 501 E. Thomas Rd.
 26 Phoenix, AZ 85012-3205

John Wallace
 Grand Canyon State Electric
 Cooperative Association
 2210 S. Priest Dr.
 Tempe, AZ 85282-1109

Robin Quarrier
 Jennifer Martin
 Center for Resource Solutions
 1012 Torrey Ave.
 San Francisco, CA 94129

Ken Baker
 Wal-Mart Stores, Inc.
 2011 S.E. 10th St.
 Bentonville, AR 72716-0550

Kerry Hattevik
 Next Era Energy Resources, LLC
 829 Arlington Blvd.
 El Cerrito, CA 94530

Douglas V. Fant
 Law Offices of Douglas V. Fant
 3655 W. Anthem Way, Suite A-109, PMB 411
 Anthem, AZ 85086

Kevin Higgins
 Energy Strategies, LLC
 215 S. State St., Suite 200
 Salt Lake City, UT 84111

Maja Wessels
 First Solar
 350 W. Washington St.
 Tempe, AZ 85281

Joe King
 Arizona Electric Power Cooperative
 P.O. Box 670
 Benson, AZ 85602

Christopher Martinez
 Columbus Electric Cooperative
 P.O. Box 631
 Deming, NM 88031

LaDel Laub
 Dixie-Escalante Rural Electric Association
 71 E. Highway 56
 Beryl, UT 84714-5197

Carl Albrecht
 Garkane Energy Cooperative
 P.O. Box 465
 Loa, UT 84747

1 Greg Bass
2 Noble Americas Energy Solutions
3 401 W. A Street, Suite 500
4 San Diego, CA 92101-3017

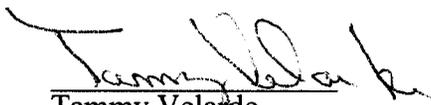
5 Laura Palm Belmar
6 Morgan Stine
7 Green Earth Energy & Environmental, Inc.
8 2370 W. SR 89A
9 Suite 11 PMB 430
10 Sedona, AZ 86336

11 Josh Lieberman
12 Renewable Energy Markets Association
13 1211 Connecticut Ave NW, Suite 600
14 Washington, DC 20036-2701

15 Janice Alward, Chief Counsel
16 Legal Division
17 ARIZONA CORPORATION COMMISSION
18 1200 West Washington Street
19 Phoenix, AZ 85007

20 Steven M. Olea, Director
21 Utilities Division
22 ARIZONA CORPORATION COMMISSION
23 1200 West Washington Street
24 Phoenix, AZ 85007

25
26
27
28

By: 
29 Tammy Velarde
30 Assistant to Sarah Harpring