

OPEN MEETING AGENDA ITEM
EXCEPTION



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BEFORE THE ARIZONA CORPORATION COMMISSION

2014 DEC -9 P 12: 33

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ARIZONA CORP COMMISSION
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Arizona Corporation Commission
DOCKETED

DEC 09 2014

ORIGINAL

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IN THE MATTER OF THE APPLICATION OF
GRAHAM COUNTY ELECTRIC COOPERATIVE,
INC. FOR APPROVAL OF THE 2015 REST
IMPLEMENTATION PLAN, RES TARIFF, AND
NET METERING TARIFF

DOCKET NO. E-01749A-14-0257

EXCEPTIONS

On July 7, 2014, Graham County Electric Cooperative, Inc. ("GCEC") filed its 2015 REST Implementation Plan, RES Tariff, and Net Metering Tariff with the Arizona Corporation Commission ("Commission") for approval. On November 26, 2014, Utilities Division Staff ("Staff") filed its memorandum and proposed order recommending approval of the 2015 REST Plan as submitted, with one modification. In its 2015 REST Plan, GCEC proposed excluding leased renewable energy system model from eligibility to receive the proposed \$0.15 per Watt up-front incentive.

Staff recommended that leased PV systems remain eligible for the incentive, stating that it "does not believe it is appropriate or necessary to discriminate between customers based solely on the financing mechanism used to acquire the system." GCEC has proposed to exclude the leased system model for the following reasons:

- GCEC has a limited REST plan budget to support up-front incentives.
- Experience with the leased model has shown that very little up-front cost is required by the home owner to purchase a leased system.
- GCEC has therefore concluded that the limited funding available would be best utilized on the customer owned system model that requires a greater up-front investment on the part of the customer.

For all of these reasons discussed, GCEC disagrees with Staff's assertion and respectfully requests that the Commission modify the proposed order to incorporate the Cooperative's request to exclude the

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leased system model from the incentive program. For the Commission's convenience and consideration, a proposed amendment is attached hereto as Attachment 1.

RESPECTFULLY SUBMITTED this 9th day of December, 2014

Graham County Electric Cooperative, Inc.

By Than W Ashby
Than W. Ashby
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Original and thirteen (13) copies filed this 9th day of December, 2014 with:

Docket Control
Arizona Corporation Commission
1200 W. Washington,
Phoenix, AZ 85007

PROPOSED AMENDMENT # 1

DATE PREPARED: December 9, 2014

COMPANY: Graham County Electric Cooperative, Inc.

DOCKET NO.: E-01749A-14-0257

OPEN MEETING DATES: December 11-12, 2014

AGENDA ITEM: U-26

Page 7, line 13,

ADD a new Conclusion of Law No. 4 as follows:

4. The Commission agrees with the points and concerns raised by Graham County Electric Cooperative, Inc. regarding the continued inclusion of leased PV systems in its incentive programs, and concludes that it is in the public interest to approve the request of Graham County Electric Cooperative, Inc. to exclude leased PV systems from eligibility for incentives under its 2015 REST Plan.

Page 7, lines 16-17,

DELETE the existing Ordering Paragraph and REPLACE with the following:

IT IS FURTHER ORDERED that the request of Graham County Electric Cooperative, Inc. to exclude leased PV systems from eligibility for incentives under its 2015 REST Plan is approved.

Make all other conforming changes.