

**ORIGINAL**

OPEN MEETING AGENDA ITEM



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April 22, 2015

RECEIVED

Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

2015 APR 30 P 14:25

AZ CORP COMMISSION  
DOCKET CONTROL

Re: Commission consideration of rate design issues outside of rate cases for APS, TEP, UNS, Trico, and SSVEC; Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

Dear Chairman Bitter Smith and Commissioners,

The signatories to this correspondence agree with Commission Staff that the important rate design issues raised in the above referenced dockets must only be considered in the context of the utilities' general rate cases. While the parties hereto may or may not agree on their desired outcome of the above referenced dockets, each of those signing below agree that the issues presented in those dockets are the type of rate design issues that due process requires be dealt with in full rate cases and should not be addressed in separate, standalone dockets.

Rates have been proposed, litigated, and approved within the general rate case framework since the beginning of the Commission's jurisdiction over electric utility companies and this is not just done as a matter of tradition. In fact, Arizona's Constitution prohibits single issue ratemaking as set forth in the preminent case on this issue, *Scates v. Arizona Corp. Commission*, 118 Ariz. 531 (1978).

Ensuring the broad rate design issues raised in the above referenced dockets are adjudicated within the general rate case framework provides the following benefits:

- Substantial data. Rates are designed with full knowledge of the utility's rate of return, rate base, and cost of service studies.
- Wide engagement. All stakeholders should have the opportunity to weigh in on rate design issues and that opportunity is lost when these discussions happen in non-traditional forums.
- Predictability. Stakeholders should be afforded a high level of predictability around rates, including when and how they can be altered.

For all the above reasons, we request that the Commission only consider the issues raised in the above referenced dockets in the context of a rate case.

Sincerely,

Arizona Corporation Commission  
**DOCKETED**

The Attached Signatories

APR 30 2015

DOCKETED BY	
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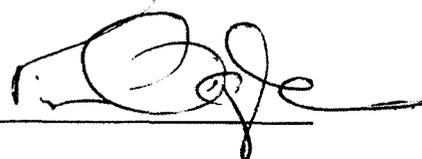
Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Arizona School Boards Association**

By:  \_\_\_\_\_

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Recreation Centers of Sun City**

By: Jan M. Ek

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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The Alliance for Solar Choice

  
By: \_\_\_\_\_

Court Rich attorney for TASC

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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By:  for Albert Gervenack

**Albert Gervenack, Sun City West Resident**

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Arizona Solar Energy Industry Association**

By: *Mark Holohan*

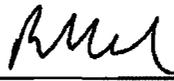
Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Natural Power and Energy**

By: 

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Western Grid Group**

By: Amanda Grund

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Vote Solar**

By:  \_\_\_\_\_

Rick Gilliam  
Program Director, DG Regulatory Policy  
Vote Solar Colorado Office

Arizona Corporation Commission

Dockets: E-01345A-13-0248; E-01933A-15-0100; E-04204A-15-0099; E-01461A-15-0057; E-01575A-15-0127

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**Solar Energy Industries Association**

By: \_\_\_\_\_