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1 **COMMISSIONERS**
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BEFORE THE

ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION) DOCKET NO. E-01345A-13-0248
 9 OF ARIZONA PUBLIC SERVICE)
 10 COMPANY FOR APPROVAL OF NET)
 11 METERING COST SHIFT SOLUTION.)
 12) **INITIAL BRIEF**
 13)
 14)
 15)
 16)

13 The Arizona Solar Deployment Alliance ("ASDA"), in accordance with the April 28,
 14 2015 Procedural Order, hereby responds to whether Arizona Public Service's ("APS") request in
 15 the above captioned docket must be heard in a rate case.

18 **BACKGROUND**

19 APS, in July of 2013, opened the above docket by filing an application to address a net metering
 20 cost shift concern. ASDA was granted intervention and participated fully throughout the
 21 process. Staff filed a recommended order and extensive discussion occurred via briefs and at
 22 open meeting regarding Staff's proposals. Ultimately, Decision No. 74202 was issued which
 23 held that while the issues would likely need to be addressed in the next APS rate case, an interim
 24
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The Law Offices of Garry D. Hays PC
 1702 East Highland Avenue, Suite 204
 Phoenix, Arizona 85016

1 step should be implemented.¹ This interim step of adjusting APS' Lost Fixed Cost Recovery
2 ("LFCR") mechanism by \$.70 per kW came about as a compromise proposed by various solar
3 organizations and the Residential Utility Consumers Office ("RUCO").² There has been no
4 appeal of this decision and APS has charged this since it was legally allowed.
5

6 **APS CURRENT MOTION**

7 On April 2, 2015, APS filed a Motion to Reset its LFCR from \$.70 a kw to \$3. a kw.
8 The Motion sets out where Decision No. 74202 contemplates subsequent adjustment of the
9 LFCR charge.³ The current Motion seems to comport with Decision No. 74202 as it how it
10 would "reset" the LFCR adjustment.
11

12 Recently, the Commission has had several applications from electric utilities asking for a
13 change to their net metering tariffs.⁴ In those dockets, ASDA has taken the position the
14 applications should be dismissed and should be heard in a future rate case. The distinction
15 between the other cases and APS is clear. In 2013, APS went to the Commission and adjusted its
16 LFCR, not its net metering tariff. When that occurred, the Commission contemplated the LFCR
17 adjustment being reset before the next rate case. The other utilities are asking for a change to
18 their net metering tariff and a waiver of the net metering rules. It is for these reasons that ASDA
19 believes APS' Motion could be heard outside of a rate case.
20
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24 ¹ Decision No. 74202 14 and 23.

25 ² Id. at Comm Pierce's Dissent

26 ³ APS Motion to Reset pgs 5 and 6.

⁴ i.e. TRICO E-01461A-15-0057

1 **CONCLUSION**

2 Based on the Decision granted in this docket as well as the request APS has made, ASDA
3 believes that the Motion to Reset could be acted upon outside of a rate case.
4

5
6 RESPECTFULLY SUBMITTED this 22th day of May, 2015
7

8
9 
10 **Garry D. Hays**

11 The Law Offices of Garry D. Hays, PC
12 1702 East Highland Avenue, Suite 204
13 Phoenix, Arizona 85016

14 *Attorney for the Arizona Solar Deployment
15 Alliance*

16 ORIGINAL and thirteen (13)
17 copies filed on May 22, 2015 with:

18 Docket Control
19 Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

20 Copies of the foregoing
21 Mailed/hand delivered on May 22, 2015 to:

22 Dwight Nodes
23 Chief Administrative Law Judge
Hearing Division
24 Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

- 1 Janice Alward, Esq.
Chief Council, Legal Division
2 Arizona Corporation Commission
1200 West Washington Street
3 Phoenix, AZ 85007
- 4 Steve Olea
Director, Utilities Division
5 Arizona Corporation Commission
1200 West Washington Street
6 Phoenix, AZ 85007
- 7 Michael Patten
Snell & Wilmer
8 One Arizona Center
Phoenix, AZ 85004
- 9
10 Bradley Carroll
88 E. Broadway Blvd. MS HQE910
P.O. Box 711
11 Tucson, AZ 85701
- 12 Timothy Hogan
202 E. McDowell Road, Suite 153
13 Phoenix, AZ 85004
- 14 Daniel Pozefsky
1110 West Washington, Suite 220
15 Phoenix, AZ 85007
- 16 Mark Holohan
Arizona Solar Energy Industries Association
17 2221 W. Lone Cactus Drive, Suite 2
Phoenix, AZ 85027
- 18
19 Court Rich
7144 E. Stetson Drive, Suite 300
Scottsdale, AZ 85251
- 20
21 Tim Lindl
Keyes, Fox & Wiedman, LLP
436 14th Street-1305
22 Oakland, CA 84612
- 23
24 Thomas Loquvam
400 N. 5th Street, MS 8695
Phoenix, AZ 85004
- 25
26

- 1 Greg Patterson
Water Utility Association of Arizona
- 2 916 W. Adams, Suite 3
- 3 Phoenix, AZ 85007

- 4 Kristin Mayes
3030 N. Third Street, Suite 770
- 5 Phoenix, AZ 85012

- 6 Giancarlo Estrada
Estrada- Legal, PC
- 7 3030 N. 3rd Street, Suite 770
- 8 Phoenix, AZ 85012

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

- 11 Hugh Hallman
Hallman & Affiliates, PC
- 12 2011 N. Campo Alegre Road 100
- 13 Tempe, AZ 85281

- 14 John Wallace
2210 South Priest Drive
- 15 Tempe, AZ 85282

- 16 Albert Gervenack
14751 W. Buttonwood Drive
- 17 Sun City West Arizona 85373

- 18 W. R. Hansen
19 President, Property Owners and Residents Assoc.
- 13815 W. Camino del Sol
- 20 Sun City West, AZ 85375

- 21 Lewis Levenson
1308 E. Cedar Lane
- 22 Payson, AZ 85541

- 23 Patty Ihle
24 304 E. Cedar Mill Road
- 25 Star Valley, AZ 85541

- 26

The Law Offices of Garry D. Hays PC
1702 East Highland Avenue, Suite 204
Phoenix, Arizona 85016

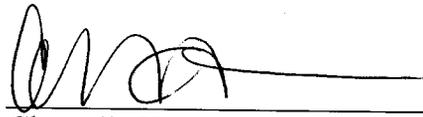
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18
19
20
21
22
23
24
25
26

Anne Smart
Alliance for Solar Choice
45 Fremont Street, 32nd Floor
San Francisco, CA 94105

Kevin Fox
Keyes & Fox LLP
436 14th St- 1305
Oakland, CA 94612

Erica Schroeder
436 14th Street
Suite 1305
Oakland, CA 94612

Todd Glass
Wilson Sonsiki Goodrich & Rosati, PC
701 Fifth Ave. Suite 5100
Seattle, WA 981047

By 
Chantelle Herget