

ORIGINAL

E-01575A-15-0127

PROCEDURAL CONFERENCE

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1 BEFORE THE ARIZONA CORPORATION COMMISSION

2

3 IN THE MATTER OF:)

4 THE APPLICATION OF SULPHUR)

5 SPRINGS VALLEY ELECTRIC)

6 COOPERATIVE, INC. FOR APPROVAL)

7 OF A NEW NET METERING TARIFF)

8 SCHEDULE NM-2 AND REVISIONS TO)

9 THE EXISTING NET METERING)

10 TARIFF SCHEDULE NM.)

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Arizona Corporation Commission

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JUL 23 2015

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At: Tucson, Arizona

Date: July 9, 2015

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2 and numbered matter came on regularly to be heard
3 telephonically before the Arizona Corporation
4 Commission, 400 West Congress Street, Tucson, Arizona,
5 commencing at 10:05 a.m. on the 9th day of July, 2015.
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7

8 BEFORE: JANE L. RODDA, Administrative Law Judge
9

10 APPEARANCES:

11 For the Arizona Corporation Commission Staff:

12 Mr. Robert Geake and
13 Mr. Wesley Van Cleve
14 Staff Attorneys, Legal Division
15 1200 West Washington Street
16 Phoenix, Arizona 85007

17 For SSVEC:

18 CROCKETT LAW GROUP PLLC
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21 Phoenix, Arizona 85016

22 For MEC and NEC:

23 CURTIS, GOODWIN, SULLIVAN, UDALL & SCHWAB, PLC
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1 APPEARANCES (continued):

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6 For APS:

7 PINNACLE WEST CAPITAL CORPORATION
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9 Mr. Thomas Loquvam
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10 For ArISEIA:

11 ARIZONA SOLAR ENERGY INDUSTRIES ASSOCIATION
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LILIA MONARREZ, CSR, RPR
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1 ALJ RODDA: This is the time set for the
2 procedural conference in Docket Number E-01575A-15-0127
3 which is the matter of Sulphur Springs Valley Electric
4 Cooperative, Inc., application for approval of a new net
5 metering tariff and revisions to the existing net
6 metering tariff.

7 And good morning, everyone, and welcome to the
8 Arizona Corporation Commission. My name is Jane Rodda,
9 and I'm the administrative law judge assigned to this
10 matter.

11 So the first thing I'm going to do for the
12 record is to take appearances. So I'll start with
13 SSVEC.

14 MR. CROCKETT: Good morning, Your Honor. Jeff
15 Crockett, representing Sulphur Springs Valley Electric
16 Cooperative.

17 ALJ RODDA: And on behalf of Mohave Electric
18 Co-op and Navopache Electric Co-op?

19 MR. SULLIVAN: Good morning, Your Honor.
20 William Sullivan with the law firm of Curtis, Goodwin,
21 Sullivan, Udall & Schwab on behalf of Mohave Electric
22 Cooperative and Navopache Electric Cooperative.

23 ALJ RODDA: Great.

24 And on behalf of The Alliance for Solar Choice?

25 MR. BOLICK: Hello. This is Evan Bolick -- or

1 sorry -- yes, for the --

2 ALJ RODDA: Did you say it out?

3 MR. BOLICK: Oh, sorry. Yes. This is Evan
4 Bolick for The Alliance for Solar Choice, TASC.

5 ALJ RODDA: Great. Thank you.

6 And on behalf of ArISEIA?

7 MR. HOLOHAN: Good morning, Your Honor. This is
8 Mark Holohan, president of ArISEIA.

9 ALJ RODDA: Okay. On behalf of APS?

10 MR. LOQUVAM: Good morning, Your Honor. This is
11 Thomas Loquvam, representing APS.

12 ALJ RODDA: And on behalf of Commission Staff?

13 MR. VAN CLEVE: Good morning, Your Honor. Wes
14 Van Cleve and Bob Geake on behalf of Commission Staff.

15 ALJ RODDA: All right. Well, thank you all.

16 Just, for the record, I wasn't able to be in the
17 hearing room and stream this proceeding this morning
18 because we're still having issues with our phone system
19 in there. There's just way too much static for anyone's
20 comfort, so I'm conducting this out of the Commission's
21 offices, 218.

22 All right. So let me start with you,
23 Mr. Crockett. You know that we've had a number of
24 similar filings recently that are now maybe not keeping
25 me as busy immediately.

1 Is SSVEC going forward with this application?

2 MR. CROCKETT: Yes, Your Honor, we are.

3 ALJ RODDA: All right. So then the purpose of
4 this proceeding is to set up a schedule for filing -- in
5 the other matters we've done some prehearing briefing
6 where it talks about the legal and policy issues of
7 whether -- best recommendation that the matter be -- am
8 I confusing this?

9 Does Staff have a recommendation in this
10 proceeding? Mr. Van Cleve?

11 MR. VAN CLEVE: I'm sorry, Your Honor. I missed
12 what you said.

13 Could you please repeat it?

14 ALJ RODDA: Did Staff have a recommendation that
15 the matter be considered in a rate case rather than
16 separately?

17 MR. VAN CLEVE: I think we -- I don't have it in
18 front of me, but I think we filed something early on
19 saying it should be, but in any event, there should be a
20 hearing set in this matter if it weren't to be
21 considered in a rate case, and then I think nothing came
22 of that until very recently because of the other, you
23 know, Trico and the TEP matters.

24 MR. SULLIVAN: Your Honor, this is Bill
25 Sullivan. I believe what Staff filed was a request for

1 a procedural order where they made those points.

2 MR. VAN CLEVE: Yes. This is -- again, this is
3 Wes Van Cleve. I think that's exactly right.

4 ALJ RODDA: I'm sorry. I started talking and I
5 thought, wait, and I got very confused about what I was
6 doing. So I apologize for my confusion.

7 All right. So let me turn then to Staff.

8 What is your recommendation in this matter? Is
9 this similar to Trico and TEP where you think it should
10 be dismissed?

11 MR. VAN CLEVE: Your Honor, I think -- I think
12 primarily that is what we're suggesting. I don't know
13 if it's on the record anywhere as to when Sulphur
14 Springs intends to file a rate case, but I think our
15 recommendation here is that this matter is dismissed and
16 handled in their next rate case; but if that were not to
17 happen, then in the very least there should be an
18 evidentiary hearing in this matter.

19 ALJ RODDA: All right. So in other similar
20 dockets, we've decided that it was important to
21 determine that legal question, legal policy question of
22 whether we should go forward in this separate docket or
23 whether it should be considered in a rate case prior to
24 setting a hearing on the actual application.

25 Is that Staff's -- does Staff believe that that

1 procedure should be followed in this case?

2 MR. VAN CLEVE: Well, I think what the long and
3 short of it is is yes. I mean, I think, as it's been
4 alluded to, we've gone through this now twice, with TEP
5 and Trico. Trico's application is virtually identical.
6 So I think the arguments have already been made, but I
7 do believe that, you know, the parties should be given
8 the opportunity, if they wish, to file briefs in this
9 case making the same arguments and having an oral
10 argument if Your Honor believes it's necessary to do
11 that for your benefit.

12 Alternatively, if parties are interested in this
13 sort of process, the possibility of having this simply
14 done on briefs and Your Honor taking official notice of
15 transcripts from those other two proceedings would also,
16 I think, work, but, of course, everybody, I think,
17 really needs to be in agreement on that for that really
18 to be appropriate.

19 ALJ RODDA: Okay. Let me go back to you,
20 Mr. Crockett.

21 Do you have -- what are your feelings about
22 having this issue decided upfront?

23 MR. CROCKETT: Judge, we're in agreement with
24 Staff on that, but we would like the opportunity to file
25 briefs. I recognize that you've been through this a

1 couple of times already and we may actually give you an
2 opportunity to finish one of these, and so we would
3 like -- we would like the opportunity to file briefs.
4 We think that we are going to raise a couple of issues
5 that haven't previously been raised in the Trico or TEP
6 proceedings, and because of that, we would also like the
7 opportunity to have some oral argument to give Your
8 Honor an opportunity to ask any questions that you may
9 have following the briefing on this.

10 Mr. Van Cleve and Mr. Geake took the -- took the
11 lead in contacting the parties to talk about some dates
12 for briefs, and I believe they got a general consensus
13 among the folks they spoke to, which I believe was
14 everyone. I'm not entirely sure if they were able to
15 speak to ArISEIA or not, but in any event, what we had
16 talked about earlier this week was having an opening
17 brief due on Friday, July the 31st, a response brief due
18 on Friday, August 14th, and then oral argument sometime
19 after that based upon Your Honor's schedule.

20 We -- we recognize there's been quite a bit done
21 in this docket -- in the prior dockets on this issue,
22 and we don't want to belabor or really spend much time
23 rehashing arguments that have pretty well been made on
24 the record, but like I said, we do believe that we have
25 some new -- some new information to add to the

1 discussion, and we'd like to focus on that in our
2 briefing and then focus on that, as well, at some oral
3 argument that would come later.

4 ALJ RODDA: Okay. Thank you very much.

5 So it's been interesting how the applications of
6 other utilities have been similar to this one, but each
7 utility has been in its unique position. So -- so
8 having separate briefings is certainly necessary, and
9 the fact that you're asking for oral arguments, that's
10 fine.

11 So let me ask other parties, Mr. Sullivan, these
12 dates of July 31st and August 14, are they -- they meet
13 with your approval?

14 MR. SULLIVAN: Your Honor, William Sullivan.
15 Yes. As indicated, I was contacted prior to today with
16 those dates and had already indicated those would be
17 okay with us.

18 ALJ RODDA: Okay. How about for TASC?

19 MR. BOLICK: Your Honor, this is Evan Bolick.
20 Those are the dates for briefing that appear to have
21 been discussed and agreed to by the parties.

22 ALJ RODDA: Okay. And you're in agreement with
23 them?

24 MR. BOLICK: Yes.

25 ALJ RODDA: Okay. And Mr. Holohan, how about

1 you? You were maybe the one party that we didn't know
2 about.

3 MR. HOLOHAN: Yes, Your Honor. Mark Holohan of
4 ArISEIA. I have no objections to the dates.

5 ALJ RODDA: Mr. Loquvam?

6 MR. LOQUVAM: We agree with the dates, Your
7 Honor.

8 ALJ RODDA: Okay. And Staff? I guess you don't
9 have a problem?

10 MR. VAN CLEVE: Your Honor -- yeah, those are
11 the dates that we came up with, and Mr. Geake took the
12 initiative of contacting, I believe, all the parties to
13 see if those dates would be acceptable, and they're
14 certainly acceptable with Staff.

15 ALJ RODDA: Okay. All right. So sometime
16 following August 14, say, the next week -- I don't have
17 my calendar here, but I can't -- I have to schedule the
18 room through the tenant services here. So I don't know
19 when the room is available.

20 Does anyone have any scheduling issues during
21 that week after the 14th?

22 MR. CROCKETT: Judge, that would be the week of
23 August the 17th?

24 ALJ RODDA: Yes.

25 MR. CROCKETT: The 14th is a Friday. Monday

1 would be the 17th.

2 ALJ RODDA: Okay. Thank you. I did bring a
3 calendar into the conference room here.

4 MR. VAN CLEVE: Your Honor, this is Wes Van
5 Cleve from Staff. The 18th and 19th are scheduled open
6 meeting dates. So I think the other days of that week
7 look open for Staff, anyway.

8 ALJ RODDA: Okay.

9 MR. SULLIVAN: Your Honor, this is William
10 Sullivan. Really the only date that I don't have a
11 potential conflict, depending on what time you did it,
12 would be the 20th. We've got the open meeting on the
13 Tuesday and Wednesday, and I've got a prehearing
14 conference on the 21st in Phoenix.

15 ALJ RODDA: Okay. But the 20th looks good for
16 you?

17 MR. SULLIVAN: That's correct.

18 ALJ RODDA: Okay. Does anyone else have
19 anything to --

20 MR. BOLICK: Your Honor, this is Evan Bolick for
21 TASC. My colleague, Court Rich, will be handling this,
22 and I'm not sure what his schedule is. I believe the
23 20th works, but if not, I'm hoping that maybe he could
24 file -- file some sort of request to request a new
25 hearing date, if necessary.

1 ALJ RODDA: Yes. Certainly I'd be open to --
2 and I don't even know if the 20th is feasible, as I sit
3 here right now.

4 MR. BOLICK: Okay.

5 ALJ RODDA: But I just wanted to see if I got a
6 date that seems to work for people.

7 MR. BOLICK: Right. As far as I'm aware, that
8 sounds good, but again, I don't have access to his
9 calendar. So I don't want to give 100 percent
10 affirmation of that date.

11 ALJ RODDA: I understand that. I always like to
12 commit people to a date.

13 All right. So what I'm going to do, then, is
14 I'm going to issue a procedural order that will contain
15 these dates for the briefing schedule and we'll set the
16 matter for oral argument.

17 Is there anything else that you need me to take
18 care of today?

19 MR. CROCKETT: Judge, this is Jeff Crockett.
20 There's nothing that I'm aware of.

21 ALJ RODDA: Okay.

22 MR. SULLIVAN: And, Your Honor, this is William
23 Sullivan. Just to be clear that the issue -- issues
24 that we are to brief are whether there is a legal
25 impediment to hearing this and the policy at issue as to

1 whether it should await a rate proceeding? Is that what
2 you understand to be the only two issues?

3 ALJ RODDA: Yes.

4 MR. SULLIVAN: Thank you, Your Honor.

5 ALJ RODDA: And I'll put that in the procedural
6 order, too, in case I misspoke.

7 All right. Then I will thank you all for
8 putting up with the phone situation, and I will be
9 issuing my procedural order.

10 MR. VAN CLEVE: Thank you, Your Honor.

11 MR. BOLICK: Thank you, Your Honor.

12 MR. CROCKETT: Thank you, Your Honor.

13 ALJ RODDA: Bye.

14 (Whereupon, the proceedings concluded at
15 a.m.)

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1 STATE OF ARIZONA)
COUNTY OF MARICOPA)

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8 the parties hereto nor am I in any way interested in the
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10 obligations set forth in ACJA 7-206(F)(3) and ACJA
11 7-206(J)(1)(g)(1) and (2). Dated at this 17th day of
12 July, 2015.

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LILIA MONARREZ
Certified Reporter
Certificate No. 50658.

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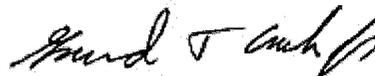
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