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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION  
OF ARIZONA PUBLIC SERVICE  
COMPANY FOR APPROVAL OF NET  
METERING COST SHIFT SOLUTION.

Docket No. E-01345A-13-0248

**COMMENTS OF THE JOINT SOLAR PARTIES CONCERNING THE SCOPE OF THE  
EVIDENTIARY PROCEEDING**

The Solar Energy Industries Association (SEIA)<sup>1</sup> and the Arizona Solar Energy Industries Association (AriSEIA)<sup>2</sup> submit these comments in response to the August 20<sup>th</sup> Notice of Opportunity to Provide Comments Concerning the Scope of the Evidentiary Proceeding in this docket. We appreciate the opportunity to provide input on this matter and look forward to continuing to work on a fair resolution of this docket.

First, we believe that it is critical for the Commission to prepare a cost benefit analysis in this matter that would accurately account for both the benefits and the costs of rooftop solar, prior to proceeding with the other elements of this case. SEIA and AriSEA have argued throughout the pendency of this case that a truly independent, transparent and fair cost benefit study is needed in order for the Commission to make a balanced decision. We continue to believe that the

<sup>1</sup> SEIA is the national solar energy trade association. The comments contained in this filing represent the position of SEIA as an organization, but not necessarily the views of any particular member with respect to any issue.

<sup>2</sup> AriSEIA is a nonprofit trade association, representing local and national companies whose mission is to promote policies that promote greater use of solar energy in Arizona.

1 Commission could order a cost benefit analysis prior to proceeding with its deliberations over  
2 APS' LFCR reset proposal.  
3

4 Second, whether the Commission chooses to first conduct a cost benefit study, or whether it  
5 moves directly into a cost of service study, we urge the Commission to select a third party to  
6 conduct any cost benefit analysis or cost of service study completed for this docket. We suggest  
7 that the Commission Staff could identify the independent third party utilizing a stakeholder  
8 committee made up of Parties to this docket. Doing so would engender greater confidence in the  
9 study among all Parties, and provide the Commission a sound basis upon which to make a  
10 decision in this matter.  
11

12 Should the Commission decide not to direct that an independent third party be chosen to conduct  
13 the cost benefit analysis or cost of service study, SEIA and AriSEA strongly urge the  
14 Commission to establish a transparent process for the creation of these studies. More  
15 specifically, we urge that the Commission direct Staff to establish a stakeholder committee that  
16 would provide input and guidance on the cost of service study as it is being conducted by APS.  
17 At a minimum, the stakeholder committee should include all those entities that have intervened  
18 in this docket, and it should be required to meet regularly with APS as it is conducting the cost of  
19 service study. The Commission should also allow for formal comments regarding the cost of  
20 service study at the midpoint of its development and at its conclusion, as a way of measuring the  
21 satisfaction of all Parties to the docket that the inputs being used are fair and accurate.  
22

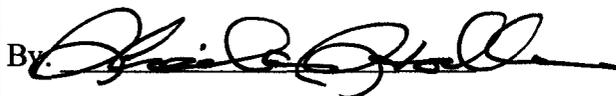
23  
24 Third, we believe the Commission must develop a significant amount of data and information  
25 during the evidentiary proceeding and prior to any final Decision in this docket. At a minimum,  
26 the following issues and data should be developed:  
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28

- 1 • Conduct an adequate and updated load research study, in which the usage characteristics
- 2 of net metered residential customers and contribution to relevant peak demand are
- 3 identified;
- 4 • Quantify the benefits and costs associated with solar over the life of a solar system, or 25
- 5 years;
- 6 • Calculate the total fixed O&M savings associated with distributed solar, including line
- 7 losses, reductions in fuel and purchased power costs and reductions in fixed O&M costs,
- 8 associated with distributed solar;
- 9 • Calculate avoided cost using the avoided cost of a natural gas peaker plant;
- 10 • Calculate generation savings associated with distributed solar;
- 11 • Quantify avoided air pollution emission control costs, including the benefits of reduced
- 12 carbon, particulate matter and ozone associated with distributed solar, and the value of
- 13 distributed solar systems in assisting the state in meeting the EPA's Clean Power Plan.
- 14 • Calculate the benefits of avoided water use in power production related to distributed
- 15 solar energy;
- 16 • Quantify the value of solar as an export during peak periods;
- 17 • Calculate the benefits of solar related to the deferred or obviated need for new
- 18 transmission and distribution.
- 19

20 Respectfully submitted this 4th day of September 2015,

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27  
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1 **Original and 13 copies of the foregoing filed this 4th day of September, 2015 with:**

2 Docket Control  
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6 *Copy of the foregoing delivered/mailed this 4th day of September, 2015, to:*

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