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1 Timothy M. Hogan (004567)
2 ARIZONA CENTER FOR LAW
3 IN THE PUBLIC INTEREST
4 514 W. Roosevelt Street
5 Phoenix, Arizona 85003
6 (602) 258-8850

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NOV 13 2015

Attorneys for Vote Solar

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BEFORE THE ARIZONA CORPORATION COMMISSION

7 SUSAN BITTER SMITH - Chairman
8 BOB STUMP
9 BOB BURNS
10 DOUG LITTLE
11 TOM FORESE

Docket No. E-00000J-14-0023

12 IN THE MATTER OF THE COMMISSION'S
13 INVESTIGATION OF VALUE AND COST
14 OF DISTRIBUTED GENERATION.

**VOTE SOLAR'S COMMENTS
ON TIMING AND SCOPE OF
THE EVIDENTIARY HEARING**

15 In the November 4, 2015 procedural conference in this case, the parties were
16 directed to file written comments on the proposed timing and scope of the evidentiary
17 hearing in this matter by November 13, 2015. Vote Solar respectfully submits the
18 following comments on the public notice, scope, and timing of the evidentiary hearing.

19
20 **I. The Utilities Must Provide Their Customers Adequate Notice Of This
21 Evidentiary Hearing.**

22 During the November 4 procedural conference, the parties discussed how the
23 Commission might import the factual findings resulting from this generic proceeding
24 into future utility rate cases. There is some question about whether and how that could
25 be accomplished when this proceeding is not itself a rate case. However, if the
26

1 Commission intends to preserve its ability to apply any of the results of the evidentiary
2 hearing in this proceeding to later rate cases, sufficient notice must be given to all
3 ratepayers.

4 Both the Arizona Revised Statutes and the Commission's Rules state that
5 customers must receive adequate notice of rate cases and other hearings that impact
6 rates.¹ Accordingly, if the results of this generic proceeding have the potential to impact
7 rates or tariffs for customers in future rate cases, customers must receive adequate notice
8 of this proceeding and be afforded the opportunity to participate in the hearing. If
9 adequate notice is not given, the Commission will be limited in how it could potentially
10 use the factual findings here in future rate cases.

11 In order to ensure that ratepayers receive adequate notice, the Commission should
12 order the utilities to provide notice using the customary notice procedures utilized in rate
13 cases. Therefore, the Commission should order that notice be provided (1) through bill
14 inserts mailed to each customer, (2) by publishing notice in a newspaper of local
15 circulation in each utility's service territory, and (3) by posting notice on each utility's
16 website in a manner that is easily accessible from the home page.²

17 The Commission should not grant Arizona Public Service's (APS) request to
18 provide notice through publication in the Arizona Administrative Register only. The
19 Commission requires utilities to provide customers notice of rate cases and other
20 proceedings impacting rates through bill inserts and other methods to increase the
21 likelihood that customers receive actual notice. Customers have the right to receive
22 adequate notice of proceedings that may impact their rates, and utilities should not be
23
24

25 ¹ Ariz. Rev. Stat. Ann. § 40-367; A.A.C. R14-2-105.

26 ² See, e.g., Docket No. E-04204A-15-0142, Rate Case Procedural Order (June 22, 2015)
(requiring similar notice requirements in the current UNS Electric rate case).

1 able to avoid the usual notice requirements through a pre-rate case proceeding such as
2 this.

3
4 **II. The Commission Should Concurrently Analyze Both The Value And Cost Of
5 Distributed Generation In This Proceeding.**

6 The Residential Utility Consumer Office (RUCO) has suggested that the
7 Commission implement a phased approach to this proceeding, where the Commission
8 would analyze the value and cost of distributed generation separately. Such an approach
9 would be inefficient and unnecessarily lengthen the amount of time necessary for this
10 proceeding. Bifurcating the proceeding as RUCO suggests would require parties to file
11 separate rounds of testimony, one regarding distributed generation's costs and the other
12 regarding distributed generation's benefits and value. There is no reason, however, why
13 the parties cannot submit testimony on both value and cost at one time. Doing so would
14 be more efficient and likely shorten the length of this proceeding. Moreover, it would
15 likely be difficult to segment and bifurcate the proceeding in the manner RUCO
16 suggests. Some issues that may arise in this proceeding arguably involve both costs and
17 benefits (e.g., does distributed generation provide benefits and/or impose costs to a
18 utility's distribution system?). Attempting to limit testimony to discussing only costs or
19 benefits at one time would likely prove difficult in practice, and it may unnecessarily
20 limit the parties' ability to comprehensively discuss the relevant issues. Accordingly,
21 the Commission should analyze distributed generation's cost and value concurrently in
22 this proceeding.

23
24 **III. Vote Solar's Proposed Schedule**

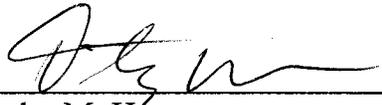
25 Because customers should receive adequate notice of this proceeding through bill
26 inserts, newspaper publication, and website postings, the schedules proposed by APS

1 and Staff at the procedural conference are unrealistic and additional time will be
2 necessary for the testimony and hearing in this case. Vote Solar respectfully proposes
3 the following schedule:

- 4 ▪ **Direct Testimony Deadline in Early February** – If the utilities provide notice to
5 customers through bill inserts, newspaper publication, and website postings, there
6 must be adequate time for this notice to be provided and for interested customers to
7 intervene in this proceeding and prepare testimony. In order to allow sufficient
8 time for this notice, the deadline for direct testimony should not be set before
9 early February.
- 10 ▪ **Rebuttal Testimony Deadline in Mid-April** – After the parties file the first
11 round of direct testimony, adequate time for discovery should be provided before
12 rebuttal testimony is due. For example, it appears likely that the parties will not
13 have access to APS’s cost of service study until APS files its direct testimony. In
14 order to fully analyze and provide rebuttal testimony regarding this study, the
15 parties will need sufficient time for discovery. Vote Solar proposes that the
16 Commission schedule the deadline for rebuttal testimony approximately two and
17 a half months after the direct testimony deadline. Thus, if the direct testimony
18 deadline is scheduled for early February, the rebuttal testimony deadline would be
19 no earlier than mid-April.
- 20 ▪ **Evidentiary Hearing in Mid-May** – Scheduling the evidentiary hearing
21 approximately one month after the rebuttal testimony deadline would allow the
22 parties adequate time to prepare for the hearing. In addition, scheduling the
23 hearing for mid-May should allow the Commission to conclude this proceeding
24 before the deadline for APS’s next rate case on June 30, 2016.

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DATED this 13th day of November, 2015.

By 

Timothy M. Hogan
ARIZONA CENTER FOR LAW IN THE
PUBLIC INTEREST
514 W. Roosevelt Street
Phoenix, Arizona 85003

Attorneys for Vote Solar

ORIGINAL and 13 COPIES of the
Foregoing filed this 13th day of November,
2015, with:

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

COPIES of the foregoing
Electronically mailed this
13th day of November, 2015, to:

All Parties of Record