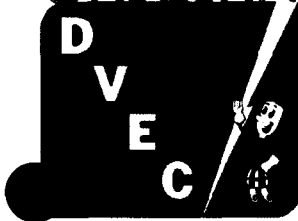


ORIGINAL



DUNCAN VALLEY ELECTRIC C

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Owned By Those We Serve - Incorporated - June 1947

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December 14, 2015

Arizona Corporation Commission 2015 DEC 15 P 3: 31

Commissioners
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

DOCKETED

DEC 15 2015

AZ CORP COMMISSION
DOCKET CONTROL

Re: Docket No. E-00000J-14-0023

DOCKETED BY

Dear Commissioners,

On behalf of board of directors of Duncan Valley Electric Cooperative ("DVEC"), I want to express our disappointment with the recent action by Administrative Law Judge Teena Jibilian and the Procedural Order ("PO") that joins all Arizona jurisdictional electric utilities to this docket.

DVEC is in agreement that there are issues with net metering. We also question what value, if any, distributed generation ("DG") provides for the electric grid as a whole and more specifically DVEC's distribution system. However, at present, DVEC has no case before the commission with associated testimony, cost studies, methodologies, or proposals concerning net metering and DG. The development of such information is a long process and often requires small cooperatives such as ours to hire outside consultants. Requiring DVEC to be part of a docket that has such a quick timeline for submission of such data means that DVEC will have very little, if anything, to contribute to the discussion.

We are also concerned that this lack of necessary time to prepare and submit meaningful data may create a situation where DVEC's rights to due process and a fair and just rate being set in any future proceedings are jeopardized. DVEC does not have immediate plans to ask for rate changes in relation to DG and net metering, and our lack of sufficient time to effectively contribute to the current proceedings should not create a prejudicial impairment on a future filing.

Another aspect that we find troublesome is the requirement to notice our consumer members at DVEC's expense in a matter that we are not asking to be part of. In the future, if or when, DVEC files for consideration of a fair and just rate on DG/net metering, we will again have to notice our consumer members. Since it is not clear in the docket if any binding action will result, we feel that noticing our consumer members at this juncture provides no benefit and only adds to the confusion of what may or may not develop from the proceedings.

We ask that DVEC and its members be excluded from this generic proceeding. DVEC would be happy to participate in a workshop process as is normally done for this type of study. The normal workshop process does provide for timely submission of data and fair and open discussion by all parties involved, not just those that are already prepared because of current or pending rate cases.

Neither this letter nor the docketing and distribution thereof is an intent by DVEC to willingly be joined as a party to this docket, nor, if finally excluded, does DVEC wish to be an intervenor at this point.

Sincerely,

Johnnie Frie, Board President