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Arizona Corporation Commission
Utilities Complaint Form

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Investigator: Trish Meeter Phone: <<< REDACTED >>> Opinion Date: 3/1/2016
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First Name: Bruce Last Name: Plenk Account Name: Bruce Plenk
Address: <<< REDACTED >>> Arizona Corporation Commission
City: Tucson State: AZ Zip Code: 85712
Cell: <<< REDACTED >>> Email: <<< REDACTED >>>

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AZ CORP COMMISSION
DOCKET CONTROL
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Company: Unisource ** Energy Services (UNS) Division: Electric
Nature Of Opinion

DOCKETED BY

Docket Number: E-04204A-15-0142 Docket Position: Against

Chairman Little and Commissioners- Thanks for holding the hearings in the UNS case in Tucson where it is much easier for people interested in the case to testify than in Phoenix. Please include these comments in the docket. I am a TEP ratepayer and Tucson resident. Since it appears that the UNS proposals for drastic rate design change are identical to what TEP has proposed and since the UNS case is being heard first, I wanted to express my opinions regarding some of those proposals. My basic point is that what might be good for UNS (or TEP or Fortis stockholders) is not good for ratepayers of those companies nor for the state of Arizona. The first and worst idea is doubling the customer charge to an amount (\$20) that is among the highest in the West. There is simply no reason for this dramatic and unprecedented increase. It does not reflect "gradualism," one of the watchwords of utility regulation, and is not based on any reasonable explanation other than to assure a more solid cash flow to UNS. The alleged "new" expenses that would go into such a charge are not appropriate for a customer charge at all. And the UNS rebuttal testimony that agrees to a \$15 charge if a demand charge is added is no better. The UNS request for an increase in its customer charge should be rejected. The second, and nearly as bad, idea is to charge ALL customers a demand charge, like large businesses have been charged for some time. Again, this seems to be primarily based on an attempt to increase revenues not to better serve our state. While large businesses can hire consultants and purchase equipment to "shave peaks," this is simply beyond the capacity of most residential customers. And even one "forgetful" day of simultaneous use of a few appliances would result in a charge which would likely exceed the customer charge and perhaps even the monthly kWh bill!!! I have calculated that an electric water heater could easily result in a monthly demand charge of \$25, and the customer would not even know they had incurred that charge until weeks later when they received their bill!!! There are good reasons why basically no other utilities in the US have a mandatory demand charge. If UNS wishes to propose an optional demand charge like APS has and allows customers who believe they could benefit from such a charge to enroll, that seems reasonable. But not a demand charge for everyone in the residential and small commercial classes. Third is the barely disguised attempt to reduce the amount of rooftop solar in UNS territory by essentially eliminating net metering. The end of "rollover kWh" and the payment of wholesale rates for energy sent to UNS has the effect of greatly increasing the cost and reducing the benefit of household solar projects. With a longer payback and the prospect of year to year changes in the amount paid for exported energy, it is extremely likely that UNS will see a rerun of the SRP and Nevada experience: fewer solar installations, lost solar jobs, and a reduction in clean energy produced in UNS territory. This cannot be good for Arizona, for our climate, for our state's reputation as a leader in solar, or for our economic growth. There are other issues in this case but I'll stop here. Please reject the increased customer charge, reject the mandatory demand charge, and keep net metering as is. This will help our economy and our environment and in the end will help UNS too. Thank your for your consideration. -- Bruce Plenk Solar Possibilities Consulting 2958 N St Augustine Pl Tucson, AZ 520 909-1389