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Arizona State Senate



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RURAL AFFAIRS AND ENVIRONMENT,
VICE CHAIR

FINANCIAL INSTITUTIONS

RULES

Commissioner Doug Little
Arizona Corporation Commission
Commissioners Wing
1200 W. Washington – 2nd Floor
Phoenix, Arizona 85007

May 4, 2016
Arizona Corporation Commission

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~~RE: E-04204A-15-0142, E-01575A-15-0312, E-01933A-15-0322, E-01461A-15-0363, E-01345A-16-0036~~

Dear Commissioner Doug Little:

Arizona once again finds itself at the forefront of important energy policy issues. The legislature has recently completed important work protecting Arizona consumers through improved disclosures on solar leases and distributed generation interconnections. As the Arizona Corporation Commission (“the Commission”) begins its work on what promises to be a busy year of rate cases and energy policymaking, we would like to express our perspective on one of the most important, and perhaps most controversial issues currently facing the Commission: taking action on rate subsidies that primarily benefit rooftop solar companies, and protecting the state’s electrical grid.

As you are no doubt aware, the proliferation of rooftop solar has generated unprecedented controversy for utility commissions, both here and recently in Nevada, largely as a result of deliberate strategies put into place by rooftop solar companies and their political consultants. From the moment the Commission chose to consider adjustments to the state’s net metering policies in 2013, the heavily-subsidized rooftop solar industry has deployed every mechanism at its disposal to distract, delay, and dissuade the Commission from taking action.

As a result, instead of having a rational discussion about the costs and benefits of rooftop solar, we have seen the Commission under constant and unrelenting attack from out-of-state interests whose goal is to sow confusion and disorder to prevent you from taking action. These tactics reflect an industry that is aware of its reliance on government policies that force one class of customers to subsidize the choices and preferences of another class.

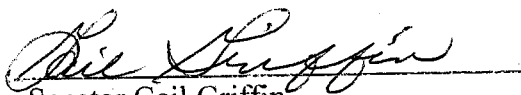
We feel strongly that such subsidies are inherently unfair and contradict the principles the voters elected us to support. Rather than create winners and losers and redistribute wealth through ineffective and costly government regulations, we believe the Commission should pursue and enact policies that protect customers, promote the development of innovative new technologies that help consumers understand and reduce their costs without subsidies, and secure the reliability of electric service we have come to expect and rely on in Arizona.

We deeply respect the unique role of the Corporation Commission and its Constitutionally-granted authority over energy policy in Arizona, but feel strongly that the residents of the state deserve a system that does not force one customer to pay for their neighbors' energy choices.

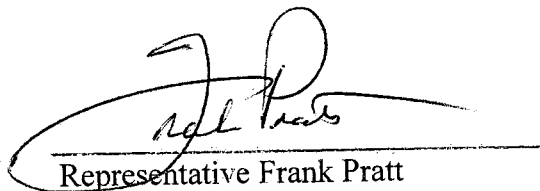
It's for this reason that we urge you to quickly and decisively take action to modify utility rates moving forward and support the consumers we were all elected to protect.

Thank you.

Respectfully submitted,



Senator Gail Griffin
Chairman, Senate Water and Energy
Committee



Representative Frank Pratt
Chairman, House Energy, Environment,
and Natural Resources Committee