



0000170629

From:  
Sent:  
To:  
Subject:

**ORIGINAL**

steven <kwattsaver@hotmail.com>  
Friday, May 27, 2016 9:30 AM  
Little-Web  
Solar E-00000J-1A-0023

RECEIVED  
2016 MAY 27 A 11: 2  
AZ CORP COMMISSION  
DOCKET CONTROL

There are many complex issues that have arisen when large solar companies (unregulated industries) install residential and commercial to electric utilities (regulated industries). There are three basic methods these companies do business, there are leased systems, financed systems, and cash systems.

The most egregious are the leased systems, typically the consumer signs a 20 year lease at an amount that can be 75% to 125% the cost of the avoided electricity costs. The consumers is sold on exaggerated projected electrical cost increases (5% a year is a popular claim). Many of the customers actually pay the lease amount, but the system does not supply the total needed electricity, and also have utility bills to pay also. The lease payment is a taxed revenue steam that is lost by the utility, and is an un-taxed revenue stream for the lease company, which also flows out of our state. This is a substantial amount of tax income that the specific city, count, and the State of Arizona lose.

There are financing programs that bury the customer in years of payments, sometimes the payments can be double the electric bills they are offsetting.

The cash systems tend to be the most reasonable, however a contractor can install similar sized systems in different cities and have charges that differ by thousands of dollars.

Once the system is operational, the customer then net meters his account. Storing unused electricity on his electric utility, to be used when needed. This a strange business practice for the utility, essentially receiving power when the usage is low, and any projected electricity on the system must be wheeled. The customer then will use that "stored" electricity in the high usage periods that the solar system can't supply all of the customer's needs. This essentially buying high and selling low. Net metered accounts also are more expensive for the utility to manage.

Arizona Corporation Commission  
DOCKETED  
MAY 27 2016

DOCKETED BY  
*[Signature]*

Another net metering issue is that utilities rely on their energy sales to pay for purchased energy and to cover their fixed costs. The net metered customer, who relies on the utility to store energy and supply stored energy when needed, do not pay an equivalent amount of the fixed costs as a non-net metered customer. This sets up a system that the non-net metered customer are subsidizing the net metered customers. Since solar systems are expensive and the usual person that installs solar usually has more income than a non solar customer, this is like the poor subsidizing the rich.

It is important that you do not let the needs and desires of the big money solar industry continue to force unfair rates and continue the subsidization of solar customer at the expense of non-solar customers. The powerful solar lobby has brought in out-of-state money, lies, and half truths to defend their own economic future.

We want rates that are fair to the non-solar customers as well as the solar customers. It is not FAIR to continue with the rates paid to solar customers for their excess generation nor is the exchange of power fair.

The 1.5% of rooftop solar in our utility will continue to operate on the backs of non-solar customers and pass on the uncollected costs from the rooftop solar users to the 98.5% of the non-solar customers.

Electric utilities are regulated, ACC oversight that assures checks and balances that guarantee reasonable pricing, availability and reliability to the electric customer. The solar industry is taking advantage of the utilities' inability to protect their business concerns without ACC permission. The solar installers should be under the same type of regulatory control, they should be required to prove the validity of their claims that they are paying lobbyist to promote, and they should be made to be accountable to their customers.

The end loser is the non-solar customer, that has to pay a higher rate to keep the electricity on. Continuing with these subsidies to rooftop solar customer is not fair.