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March 13, 2017

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Attn: Docket Control Arizona Corporation Commission 1200 W. Washington

Phoenix, Arizona 85007-2927

Arizona Corporation Commission

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Re: Docket No. E-00000C-17-0039: Motion to Intervene of Alevo USA Inc.

Please find enclosed an original and 13 copies of the above-captioned Motion.

Please let me know if you have any questions.

Respectfully Submitted

Benjamin Lowe

Director, Policy and Market Development

Beija Tue

Alevo USA Inc.

2321 Concord Parkway South

Concord, NC 28027

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704-260-7405

## BEFORE THE ARIZONA CORPORATION COMMISSION

## COMMISSIONERS

TOM FORESE, CHAIRMAN DOUG LITTLE BOYD DENN ANDY TOBIN BOB BURNS

IN THE MATTER OF THE ARIZONA CORPORATION COMMISSION'S INVESTIGATION CONCERNING THE FUTURE OF THE NAVAJO GENERATING STATION MOTION TO INTERVENE OF

ALEVO USA INC.

1. Alevo USA Inc. respectfully requests to participate in the above-referenced generation investigation docket concerning the future of the Navajo Generation Station ("NGS"). 

Alevo understands that the utility owners voted on February 13, 2017, to extend the operation of NGS to the December 2019 end of its lease, pending an agreement with the Navajo Nation. 

This decision was made as coal power plants around the country face increased cost pressures as a result of environmental regulations and the low price of natural gas. Alevo also understands that the NGS is a key economic development engine for the Navajo Nation and Hopi Tribe, and so any decision regarding the future of the plant will impact the Northern Arizona economy. Alevo in this proceeding will advocate that stakeholders explore how energy storage may enable NGS to operate

<sup>&</sup>lt;sup>1</sup> Alevo makes this request pursuant to R14-3-105 of the Rules of Practice and Procedure of the Arizona Corporation Commission.

<sup>&</sup>lt;sup>2</sup> See http://www.srpnet.com/newsroom/releases/021317.aspx.

more efficiently, thereby making it more cost-competitive compared to other generation options and in turn operate into 2020 and beyond.

- Alevo is a United States-based manufacturer, developer and systems integrator of lithium-ion batteries. Alevo is headquartered in Switzerland and does research and development in Germany. Its worldwide manufacturing headquarters is in Concord, North Carolina, where it employs more than 200.
- 3. Alevo advocates for the deployment of energy storage on electric grids because energy storage technology makes grids more flexible, reliable and cost-effective. Energy storage can act as a generator when it injects energy into the grid; it can act as a transmission or distribution asset when it provides voltage support or voltage overload protection to substations; and it can provide value behind the meter to manage demand charges or store the output from on-site generation for later use.
- 4. In this case, a co-located energy storage resource may help reduce the cost of operating the NGS by making the power plant run more efficiently. Much like a car's engine gets better gas mileage when driving on the highway, thermal generating units in general and coal units in particular operate at their highest efficiency when operated at their optimal set point. Leaving energy storage units to do the local driving (i.e. cycling due to changes in load, frequency regulation, etc...) would enable NGS to be operated at its maximum operating efficiency and cost-effectiveness. By reducing the amount of cycling, co-located energy storage can also reduce wear and tear and their associated expenses at NGS. Alevo therefore encourages stakeholders in this docket to study how energy storage resources might make NGS more efficient, which in turn would lower costs and emissions, potentially prolonging its useful life. Several states have reached this

conclusion, notably Massachusetts. Please see the Massachusetts State of Charge Study for details on how energy storage can make thermal generating stations more efficient.<sup>3</sup>

- Alevo's interests are not represented by any other party in this proceeding.
   Intervention by Alevo will not unduly broaden the issues or delay the proceeding.
- 6. Alevo requests that all pleadings, discovery and other documents be served via electronic mail to the following email addresses:

Benjamin Lowe Ben.Lowe@alevo.com

7. Alevo does not request physical copies of all pleadings, correspondence, discovery or other documents. If these documents cannot be shared by electronic mail, Alevo requests that they be delivered to the following address:

Benjamin Lowe Director, Policy and Market Development Alevo USA 2321 Concord Parkway South Concord, NC 28037

Wherefore, Alevo respectfully requests that the Commission issue an order granting this motion to intervene in the above-captioned proceeding.

Dated this 13 day of March 2017.

Benjamin Lowe

Director, Policy and Market Development

Alevo USA Inc.

Concord, NC 28037

<sup>3</sup> http://www.mass.gov/eea/docs/doer/state-of-charge-report.pdf

## Original and 13 copies filed this 13th Day of March, 2017 with

Docket Control Arizona Corporation Commission 1200 W. Washington St. Phoenix, Arizona 85007

Copies of the foregoing mailed/delivered this 13th Day of March, 2017 to all parties of record.

By:

Benjamin Lowe

Director, Policy and Market Development

Alevo USA Inc.

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