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Memorandum
From the office of
Commissioner Andy Tobin
Arizona Corporation Commission
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PHOENIX, ARIZONA
(602) 542-3625

TO: Docket Control

DATE: February 16, 2018

FROM: Commissioner Andy Tobin's Office

SUBJECT: Arizona Energy Modernization Plan (Docket No. E-00000Q-16-0289)

Commissioner Tobin's response to Chairman Forese's letter dated Feb. 8, 2018.

Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION

February 16, 2018

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

RE: Arizona's Proposed Energy Modernization Plan (E-00000Q-16-0289)

Dear Chairman Forese, Fellow Commissioners, and Other Interested Parties:

I want to thank Chairman Forese for his leadership in this matter and echo his appreciation for the cost impact on Arizona ratepayers associated with the proposed Energy Modernization Plan. I was very pleased to hear so much discussion and am happy to be able to discuss the plan with my fellow Commissioners. As the Supreme Court of Arizona makes clear, "the Commission may consider the risks associated with utilities contemplated action or inaction" and has the power "to close the barn door before the horse escapes."

I do believe that directing staff to proceed with rule making is the most appropriate way to hold meaningful discussion moving forward and agree with my fellow Commissioners that the costs and economic benefit associated with the proposed plan are thoroughly vetted. Therefore, I am requesting that the Residential Utility Consumers Office conduct a full audit and benefit-cost analysis of the Arizona Energy Modernization Plan in comparison to the costs associated with the current Integrated Resource Plans' specifically their 15-year forecast, and the recent "Renewable Ballot Initiative" calling for 50% renewable energy by 2030. This analysis should not be considered a roadblock for initiating the rulemaking process and should continue parallel to the Notice of Inquiry issued by Chairman Forese as well as a formal vote.

We are glad you are taking the lead in making sure that this plan is addressed before another fire season is fully underway. Already in our state, the fire season is beginning with the Knob Hill fire in Southern Arizona and Governor Ducey announced this week to boost fire safety and prevention efforts funds this year due to this year's record dry winter. Hopefully, our Commission can make these funds obsolete in future years by cleaning our forest. We are hopeful that a Commission vote to issue a directive to staff to open rulemaking for the Energy Modernization Plan can take place on February 22, 2018, the contingent Open Meeting day, or the next Open Meeting on March 13-14. Thank you for your continued leadership and support that has led this vital plan's conception.

Sincerely,



Andy Tobin
Commissioner

CC: Residential Utility Consumer's Office (RUCO)
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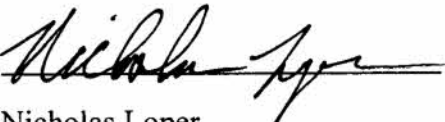
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CERTIFICATION OF SERVICE

On this 16 February 2018, the foregoing document was filed with Docket Control as a correspondence from Commissioner Andy Tobin, and copies of the foregoing were mailed on behalf of Commissioner Andy Tobin to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

Docket. No. E-00000Q-16-0289

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