

ORIGINAL

ADVANCED ENERGY BUYERS GROUP

the policy voice of advanced energy purchasers

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007-2996

January 30, 2018

Re: Docket No. E-00000V-15-0094, Resource Planning and Procurement in 2015 and 2016

Chairman Forese and Commissioners of the Arizona Corporation Commission:

The Advanced Energy Buyers Group, on behalf of the Arizona Advanced Energy Customer Collaborative, is pleased to provide comments on the integrated resource plans of Arizona Public Service (APS) and Tucson Electric Power (TEP) for consideration by the Arizona Corporation Commission.¹

The Advanced Energy Buyers Group is a national coalition of businesses seeking to expand our opportunities to procure energy that is secure, clean, and affordable, including:

- Renewable generation from wind, solar, geothermal, and hydropower;
- Demand-side resources like energy efficiency, demand response, and energy storage;
- Electric vehicles and charging infrastructure; and
- On-site generation from solar, combined heat and power, and fuel cells.

Our analyses and internal planning have shown that expanding the use of these technologies will make our businesses more competitive, resilient, and sustainable enterprises far into the future while also ensuring that we continue to meet the needs and expectations of our customers, employees, and other key stakeholders.

Several members of the Advanced Energy Buyers Group with interest in Arizona have joined with other companies, municipalities, and universities in the state to form the Arizona Advanced Energy Customer Collaborative, a coalition of large energy users that share an interest in expanding our use of advanced energy in Arizona. Collectively, the customers participating in the Arizona Advanced Energy Customer Collaborative have electricity use of approximately **1,790,000 MWh annually in the state, including approximately 960,000 MWh in APS territory**, with the potential for growth in the near future.

¹ The *Arizona Advanced Energy Customer Collaborative* and the *Advanced Energy Buyers Group* are both facilitated by Advanced Energy Economy (AEE), a national association of advanced energy businesses. This letter expresses the views of the participants of the Arizona Advanced Energy Customer Collaborative, and does not necessarily represent the views of all AEE and Advanced Energy Buyers Group members.



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The Arizona Advanced Energy Customer Collaborative convened last year with the aim to find expedient, flexible, and market-based solutions to meet our renewable energy, demand-side, and on-site generation needs in Arizona. We have initiated a collaborative effort with APS to develop solutions that would allow us to pursue new renewable and clean energy to meet our energy needs. While our work is in the early stages, we see potential to develop cost-competitive solutions in Arizona, and would welcome similar dialogue with other Arizona utilities.

As the Commission considers the long-term resource plans of Arizona utilities, we write to clearly communicate our intent to source renewable energy for our operations from new, long-term projects. We are committed to pursuing such projects to meet our own energy needs without adversely impacting other utility customers or the reliability of Arizona's electricity system, including through the use of other advanced energy technologies, such as energy storage, energy efficiency, electric vehicles, and demand response, that can help support higher penetrations of variable renewable energy while providing other benefits. In addition to pursuing our own current and future renewable energy purchases, as customers we support a utility resource mix that protects against the price and regulatory risk associated with high dependence on fuel inputs, and that incorporates increasing levels of grid-scale renewable energy, energy storage, and other advanced technologies to provide a portfolio of power options.

We are hopeful that any voluntary customer-driven renewable energy solution(s) we develop with APS and with other Arizona utilities will meet our needs and the needs of other Arizona customers, and we look forward to further developing such solutions and eventually sharing them with this Commission. In the meantime, we encourage the Commission to explore and resolve any concerns related to advanced energy technologies and renewable energy integration, and we would support additional efforts to study and deploy such technologies in Arizona. We appreciate your consideration of our perspective in this case.

Sincerely,

The Arizona Advanced Energy Customer Collaborative²

Submitted by The Advanced Energy Buyers Group

cc: Governor Doug Ducey

² For more information or to reach the participants of the Arizona Advanced Energy Customer Collaborative, contact cmarquis@aeec.net.