



BEFORE THE ARIZONA CORPORATION COMMISSION

CHAIRWOMAN  
LEA MARQUEZ-PETERSON

COMMISSIONERS  
SANDRA D. KENNEDY  
JUSTIN OLSON  
ANNA TOVAR  
JIM O'CONNOR

IN THE MATTER OF POSSIBLE MODIFICATIONS  
TO THE ARIZONA CORPORATION  
COMMISSION'S ENERGY RULES.

DOCKET NO. RU-00000A-18-0284

COMMENTS IN SUPPORT OF THE PROPOSED RULES

In 2001, companies that had built billions of dollars' worth of generating capacity in Arizona formed the Arizona Competitive Power Alliance in order to advocate for policies that promote a competitive wholesale energy market. In the intervening twenty years, companies in the wholesale electric power market have saved Arizona consumers over a billion dollars while paying millions in taxes, reducing financial risks, and increasing electric reliability.

During these years, the ACC has supported open-market principles by amending its rules to create a robust and inclusive Integrated Resource Planning process and requiring Arizona utilities to conduct transparent and competitive RFPs. To their credit, Arizona utilities have embraced--and in many cases furthered—these principles in an effort to include stakeholders and to benefit from competitive market forces.

The proposed rules continue the trend toward transparency and inclusion by requiring utilities to create a Resource Planning Advisory Committee that will provide input at the forecasting stage of the utility's IRP process. Additionally, the proposed rules create a more effective RFP process by requiring an up-front all-source analysis which allows competitors to propose a wider variety of solutions in order to meet the needs of the utilities and their consumers.

Finally, the proposed rules recognize that the transition to a carbon-free energy portfolio will take time and will include a variety of technological advances, fuel sources and market mechanisms: The rules anticipate continued cost reductions in wind, solar and battery technology; they recognize a place for natural gas as well as renewable energy, and they provide opportunities for purchased power agreements, build/own/transfer arrangements, and open-market purchases.

Consumers worldwide have benefited from technological advances that have decreased the price of renewable energy, put downward pressure on fuel prices and made energy storage affordable. The ACC's rules have ensured that Arizona consumers benefited from those advances. The proposed rules will further the goals of making the Arizona power market reliable, transparent, flexible, cost-effective, and clean. We wish to thank all of the Commissioners for their work on this proposal and urge you to take the final step of approving the rules.

Sincerely

Greg Patterson  
AZCPA Director