

What's Happening With Arizona's Energy Rules?

Welcome to the webinar!
All attendees are muted.
Please place questions in the chat.
Webinar will be recorded.

WELCOME!

THANKS TO THE PRESENTERS FROM THESE PARTICIPATING ORGANIZATIONS



WHAT WE'LL COVER TODAY

1. What is the Arizona Corporation Commission?
2. What are the Commission's Energy Rules and what do they mean for Arizona?
3. How can I take action today?

WHAT IS THE AZ CORPORATION COMMISSION (ACC)?



*Sandy Bahr, Sierra Club -
Grand Canyon Chapter*



Lea Márquez Peterson
(R) (Chair)



Jim O'Connor
(R)



Sandra Kennedy
(D)



Anna Tovar
(D)



Justin Olson
(R)

1. The ACC regulates AEPSCO, Arizona's electric coops, and the state's three largest investor-owned utilities: APS, TEP, and UNS Electric. It does not regulate SRP.
2. Its five commissioners are publicly elected in a statewide race. Commissioners can serve up to two, consecutive four-year terms
3. The ACC is responsible for setting rates and establishing rules (like the Renewable Standard)

HOW DID WE GET HERE?



*Amanda Ormond,
Western Grid Group*

- AZ demonstrated early clean energy leadership:
 - Environmental Portfolio Standard (2001), the first in the country
 - Renewable Energy Standard and Tariff (REST) (2006)
 - Energy Efficiency Resource Standard (EERS) (2010)
- Now:
 - The REST is no longer driving utility investment in renewables
 - The EERS is effectively set to expire at the end of 2020
 - The Integrated Resource Planning process is not delivering on its promise
- Omnibus energy rule-making initiated in 2018 → Energy Rules

WHY WERE THE ENERGY RULES REVISED?



Amanda Ormond,
Western Grid Group

- In advancing the Clean Energy Rules package, Arizona became the first state to promulgate a carbon-free electricity standard with bipartisan support.
- The Clean Energy Rules were scheduled for a discussion and final vote during the Commission's May 4th-5th Open Meeting. However, after the adoption of amendments that substantially changed the Energy Rules original intent, the Commissioners voted down the entire package.
- On May 26th, the ACC reconsidered and voted to advance an amended Energy Rules package (3-to-2) with majority support.
 - The amended package still includes an electric energy efficiency standard, a distributed storage standard, and improvements to the integrated resource planning process to institute competitive, all-source requests for proposals (RFPs).
 - One major change to the proposal was an extension to the timeline for the 100% carbon-free electricity standard from 2050 to 2070.

WHAT'S IN THE ACC ENERGY RULES?



*Autumn Johnson,
Western Resource
Advocates*

1. A carbon-free electricity standard
2. An energy efficiency standard
3. An energy storage standard with a distributed storage carveout
4. Integrated resource planning (IRP) process improvements

CARBON-FREE STANDARD



*Autumn Johnson,
Western Resource
Advocates*

- 50% by December 31, 2032
- 65% by December 31, 2040
- 80% by December 31, 2050
- 95% by December 31, 2060
- 100% by December 31, 2070

Energy Efficiency Standard



*Caryn Potter,
Southwest Energy
Efficiency Project*

- Requires APS and TEP to cut energy waste over the next decade and provide customers with more rebates and services to replace old air conditioners, swap out inefficient water heaters, and otherwise save energy.
- APS and TEP must deliver programs to save energy equivalent to at ~1.3% of their retail sale each year through 2030.
- Requires APS and TEP reduce their peak demand by 35% by 2030 (relative to 2020).

Storage Standard



Yara Marin,
Vote Solar

- Requires APS and TEP to meet 5% of utility 2020 peak load by 2035 from battery storage
 - 40% of that must be from customer-owned or customer-leased battery storage systems
- The policy is estimated to drive ~40,000 customer battery storage systems
- Incentives and tariff programs must be offered

Updates to Integrated Resource Planning (IRP)



*Amanda Ormond,
Western Grid Group*

- Creates an IRP oversight Advisory Committee that includes public interest organizations.
- Requires utilities to issue competitive all-source RFPs as they procure new resources.
- Requires APS and TEP to give preferential treatment to the siting of clean energy projects in communities impacted by the early closure of fossil-fired power plants.
- Requires Commission approval of a utility's load growth and resource needs and its specific portfolio of resources.

Just & Equitable Energy Transition



*Sandy Bahr, Sierra
Club - Grand Canyon
Chapter*

- Decades of low-cost electricity in Arizona was provided by utilities through cheap coal and water provided by communities, many of them Navajo.
- For economic reasons, Arizona utilities are now closing coal-generation facilities years and even decades early, often with little notice to the communities they are sited in.
- Utilities must be held accountable for helping coal-impacted communities land on their feet; they cannot be allowed to close a facility and walk away.
- The Energy Rules include provisions to give preference for siting replacement power in impacted communities.
- This is one component of what is needed for a Just and Equitable Transition.

Energy Rules Timeline: What Happens Now?



*Caryn Potter,
Southwest Energy
Efficiency Project*

- July 9 - August 20, 2021 - Written comment period
- August 16, 2021 at 10 a.m. - Hearing for oral comments
- August 19, 2021, at 10:00 a.m. - Hearing for oral comments
- September 20, 2021 - Due date for the Commission Staff to prepare a summary of all written and oral comments and a second revised economic impact statement

How To Make Public Comment



Caryn Potter,
Southwest Energy
Efficiency Project

Making Oral Public Comments:

- Tues. Aug. 16th and Thurs. Aug. 19th @ 10:00 a.m.
- Dial-in Phone Number:
1 (888) 450-5996,
 - Passcode: 457395#

Submitting Written Comments::

- Go to: www.azcc.gov
- Select: “Cases and Open Meetings” → “Make a Public Comment in a Docket”
- Fill out the form.
- Enter Docket No.
RU-00000A-18-0284
- *Submit comments now through August 20th*

How to Make Public Comments



Caryn Potter,
Southwest Energy
Efficiency Project

UTILITIES PUBLIC COMMENT

Arizona Corporation Commission

Utilities Division
1200 W Washington Street
Phoenix, AZ 85007
Phone: (602) 542-4251 or 1-800-222-7000 if calling outside the Phoenix Metro area

This form should be used for public comments pertaining to a specific pending case only. Please be sure to reference the appropriate docket number so your comments are filed in the docket promptly. Please use this link to obtain the appropriate docket number for the utility application you wish to comment on: <http://eDocket.azcc.gov/search/docket-search>

First Name: *	Last Name: *	Date:
<input type="text" value="Gloria"/>	<input type="text" value="Montano"/>	<input type="text" value="01/12/2021"/>
Address: *		
<input type="text"/>		
City: *	State: *	Zip: *
<input type="text"/>	<input type="text" value="Select State"/>	<input type="text"/>
Phone: *	Phone Extension:	Phone Type: *
<input type="text"/>	<input type="text"/>	<input type="text" value="Select Phone Type"/>
Alternate Phone:	Alternate Phone Extension:	Alternate Phone Type:
<input type="text"/>	<input type="text"/>	<input type="text" value="Select Phone Type"/>
Email: <i>Email is required to receive a PDF document of your public comment.</i>		
<input type="text"/>		

Company Name: *	Docket Number (Optional)
<input type="text" value="Arizona Corporation Commission - Rulemaking"/>	<input type="text" value="RU-00000A-18-0284"/>

In the matter of possible modifications to the Arizona Corporation Commission's Energy Rules.

Your position on the Docket: *

- For
 Against
 Neutral

Enter your opinion here: *

THANK YOU!

