



ARIZONA CORPORATION COMMISSION

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CONTACT: Rebecca Wilder (602) 542-0844

Commission Applauds AG Endorsement of “Net Metering” Rules *Rules Provide a Valuable Tool to Offset Costs for Consumers Adopting Renewable Energy Technology*

PHOENIX, AZ—The Arizona Corporation Commission (ACC) applauded today’s approval by the Attorney General’s office of the net metering rules it had approved in October of last year. The rules allow energy consumers to be compensated for generating their own energy through renewable resources. The “net metering” rules, which would be required of all Arizona electric utility companies, would provide consumers with a key tool to help offset the costs of installing and generating renewable energy or combined heat and power (CHP) cogeneration in their home or business, primarily through the use of solar technology.

Customers with renewable energy generation capabilities such as solar panels will have two-way meters installed that will measure both the electricity coming in to a property, and the energy going back to the grid. This allows customers to be credited for any excess energy generation that they send back to the regional electricity grid. According to the rules, once each calendar year, a customer’s utility company will issue a check or billing credit for the balance of any energy generated in excess of the customer’s usage.

Facilities that qualify under this plan are those operated by a consumer and located on his or her property—whether it is residential or commercial—that is intended to provide all or part of a consumer’s energy needs. A facility’s size will be capped at 125 percent of the customer’s total connected load.

Now that the net metering rules have been endorsed by the Attorney General they must be filed with the Secretary of State’s office. Sixty days after filing, Arizona’s public utility companies have 120 days to file a tariff with the Commission as to how they plan to implement the rules. The Commission will vote on the proposals and the tariffs will go into effect upon Commission approval.

The net metering rules will be an important part of the Commission’s requirement that utilities generate 15 percent of their total energy from renewable energy and CHP technologies by 2025. The Commission’s Renewable Energy Standards promote the generation of “clean” energy to power Arizona’s future.

The approved Order can be viewed at: <http://images.edocket.azcc.gov/docketpdf/0000088991.pdf>

Commissioner Comments:

“This net metering policy means that Arizonans with solar panels on their rooftops will be paid a fair rate by their utility for the excess power they produce and put back on the grid,” said Chairman Kris Mayes. “Today’s certification of the rules gets us one step closer to making Arizona the solar energy capitol of the nation. These rules are now being viewed as a model across the country because they place

no limit on the amount of energy that can be net metered in our state, and allow the owners of solar systems to net meter 125 percent of their total connected electricity requirements. Arizonans can be proud of that kind of policy innovation.”

“The approval of these rules is a huge win for consumers,” said Commissioner Paul Newman. “Now consumers have an added incentive for installing solar panels on their homes and business properties.”

“Not only do the net metering rules address solar energy, but combined heat and power (CHP) also, known as cogeneration,” said Commissioner Sandra Kennedy. “This integrated energy system can be modified based on the needs of the users. That is great news for Arizona ratepayers. Arizona has put forth a comprehensive broad-based plan that we all can be proud of.”

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