

My Turn: Why APS can't keep subsidizing solar

Barbara Lockwood, AZ I See It Published 5:29 p.m. MT Nov. 15, 2016

APS official: Solar power is important for Arizona. But we can't continue to shift solar costs onto non-solar customers.

As the first person to hold the title of Renewable Energy Manager for Arizona Public Service, I can attest to how far APS and Arizona have come in advancing solar energy over the past decade.

In 2005, Arizona was in the process of re-examining its renewable portfolio standard and looking hard at how to make more progress on solar energy. APS was providing a small amount of solar energy to our customers and had just a handful of rooftop solar customers.

In 2006, the Arizona Corporation Commission passed a Renewable Energy Standard that set a target of 15 percent renewables by 2025 and required 30 percent of the total be derived from distributed generation. In 2008, the ACC adopted a new set of rules implementing a net metering program.

Fast forward 11 years and we see a completely different landscape. APS is the first utility outside of California to have more than 1 gigawatt of solar on our system. APS has invested more than \$2 billion in solar deployment and research to provide a cleaner energy future for Arizona.

In 2009, the Solar Electric Power Association named Don Brandt utility CEO of the year. Statewide, Arizona claimed the No. 2 spot for overall annual solar growth in 2014, behind only California; and APS consistently ranks in the top 10 in the Smart Electric Power Alliance's rankings for solar energy adoption.

Solar power is thriving in Arizona.

How can they say APS is 'anti-solar?'



Photo by Nick Oza/The Republic

It's hard to believe that with everything APS has done and continues doing to advance solar energy, some in the solar leasing industry feel the need to attack the company with politically charged rhetoric and insist on pushing the false narrative that APS is "anti-solar." These attacks are intended to distract the Corporation Commission, electricity customers, and the media from the serious energy policy discussions that will affect Arizona's future.

Kris Mayes' opinion piece on Oct. 15 is just another example of such an attack ("[Viewpoints: How will Arizona value rooftop solar?](#)"). She distorts facts in an attempt to misinform the public (see azenergyfuture.com/response for a point-by-point rebuttal). She also fails to mention that she is paid a hefty retainer by SolarCity to advocate on behalf of and protect the solar leasing industry's generous subsidies.

But Kris is right about one thing – solar is important to Arizona. That's why the discussion on the value of solar and the decision the Corporation Commission will make next month is so critical. We need to make sure we fairly recognize benefits of all types of solar energy – including rooftop solar – so that we can ensure we have as much solar for as many customers as possible without unfairly driving up electric rates for everyone. It is arguably

the most important energy policy issue facing not only Arizona but several states across the country.

Why the net metering debate matters

Three years ago, the Corporation Commission was the first public utilities commission in the nation to recognize the need to update the way utility rates are set to reflect the declining cost of solar and the changing way customers use electricity. They have spent the last few years seeking to understand both the costs and benefits of solar energy and are poised to make a well-informed decision based on facts. At the heart of the discussion is the net-metering program.

Kris' employer, SolarCity, and a handful of other California-based companies that lease rooftop solar systems to residential customers are seeking to preserve net metering plus their other regulatory and taxpayer subsidies for as long as possible, even if it causes long-term harm to all non-solar-utility customers and the responsible growth of solar energy.

The effect of net metering on customer bills is evident and growing. Today, more than 50,000 APS customers have installed rooftop solar. Because of the net-metering subsidy, non-solar customers will collectively pay over \$50 million per year more than they should for energy. At the current rate of solar adoption, non-rooftop-solar customers will pay \$1 billion more than they otherwise should over the next 20 years. If we don't fix it now, that number will only grow.

The cost shift to non-solar customers as a result of net metering is well-established. A number of experts and studies have shown that while net metering may have been needed early on to jumpstart solar adoption, it has now become an obstacle to delivering affordable energy to customers. It is no longer the early days of solar energy.

The net-metering subsidy has served its purpose – witness the growth of solar in Arizona. The policies adopted a decade ago are no longer the right policies for solar energy for the future. That's why change is not only necessary but imperative for real progress to continue. As long as the sun shines, we'll continue to fight for what's right for solar and what's right for Arizona.

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