



0000149299

E-00000J-13-0375

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH



ORIGINAL

BOB BURNS  
COMMISSIONER

Direct Line: (602) 542-3682  
Email: RBurns-web@azcc.gov

2013 NOV -4 A 9:38

ARIZONA CORPORATION  
COMMISSION

Arizona Corporation Commission

DOCKETED

NOV 04 2013

AZ CORP COMMISSION  
DOCKET CONTROL

November 4, 2013

RE: Innovation and Technological Developments Docket No. # E-00000J-13-0375

DOCKETED BY

Dear Chairman Stump and Commissioners:

As you may recall, a majority of the Commissioners voted to open a generic docket to discuss innovations and technological developments in the energy industry at the September Staff Open Meeting. I wanted to let you know that today I issued a memorandum to open this docket. The title of the docket is: In the Matter of the Commission's Inquiry into Potential Impacts to the Current Utility Model Resulting from Innovation and Technological Developments in Generation and Delivery of Energy.

At previous open meetings, I have stressed the importance of the Commission staying apprised of innovations and technological developments that could impact our current energy model. For example, since I first mentioned the issue, I have become aware of businesses incorporating new developments—*i.e.*, solar panels and fuel cells—as a way to generate a significant portion of the energy they consume. I recently visited a San Diego Wal-Mart that gets 30% of its energy from rooftop solar panels and 40% from a fuel cell, leaving only 30% of its energy requirements to be provided for by the grid. At some point, this technology will likely be cheap enough for many more entities to employ, and they will have an opportunity to go off the grid. My concern is that when that occurs, the remaining ratepayers—which would likely be mostly residential—may be left to pick up the cost of the grid. This could also become a critical issue when a viable, affordable energy storage mechanism is developed. Given recent discussions on potential cost shifts related to issues this Commission has examined and continues to examine, this discussion seems particularly pertinent.

This is just one example of how technology may impact our current system in the near future. I plan to meet with Staff to discuss the potential scope of the docket and will issue a letter outlining the information I believe would be helpful in our inquiry. I appreciate your support of this inquiry and hope that you, too, will take the opportunity to request information on these important matters.

Sincerely,

Robert L. Burns