

ORIGINAL

NEW APPLICATION



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Memorandum

From the office of
Commissioner Andy Tobin
Arizona Corporation Commission
1200 W. WASHINGTON
PHOENIX, ARIZONA
(602) 542-3625

Arizona Corporation Commission

DOCKETED

SEP 28 2017

DOCKETED BY

A handwritten signature in black ink, appearing to be "ATobin".

TO: Docket Control

DATE: September 28, 2017

FROM: Commissioner Andy Tobin's Office

E-00000Q-17-0293

SUBJECT: Opening a New Docket (Doc. No. - - - - -)

Please open a new docket related to Arizona's baseload in general and our state's energy security. The title of this docket will be: "Evaluating Arizona's current & future baseload security"

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ANDY TOBIN
COMMISSIONER

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ARIZONA CORPORATION COMMISSION

September 28, 2017

Dear Commissioners and other interested parties,

Over the past decade, there have been significant changes to our state's energy mix and infrastructure. Most notably, a rapidly expanding solar rooftop market has lead the Commission, utilities, and solar companies to come together in creating a proactive response through the Value of Solar docket¹. In addition to the growth of residential solar, Arizona is now a national leader in utility scale solar generation.² While we have seen these increases in renewables, we have also seen shifts in our traditional baseload electricity portfolio. For instance, in 1990 coal made up over 50 percent of electricity generation in our state while natural gas equated to less than four percent. In 2015, coal was only 32 percent of generation and natural gas had risen to nearly 30 percent.³ With the looming decommissioning and closure of the Navajo Generating Station, that trend will continue and accelerate into the future.

Understanding the impact of these changes and the characteristics associated with various types of electricity generation are essential to being effective at the Commission. This is why I am opening a docket to investigate and answer the questions: "What are Arizona's electricity needs both today, and in the future, and how do we ensure that Arizona's energy policies promote reliability, security, and affordability as we power the state and fuel our economy?" This docket will allow us to gather information and engage with stakeholders to determine how Arizona should address shifts in energy markets and identify considerations that should be made to maintain a reliable baseload energy portfolio into the future.

Sincerely,

A handwritten signature in cursive script that reads "Andy M. Tobin".

Andy Tobin
Commissioner

¹ "Value of Solar Docket" Arizona Corporation Commission; azcc.gov; Docket No. E-00000J-14-0023


² U.S. Energy Information Administration; "Utility-scale solar has grown rapidly over the last five years" <https://www.eia.gov/todayinenergy/detail.php?id=31072>

³ U.S. Energy Information Administration; "Net generation by state by type of producer by energy source" <https://www.eia.gov/electricity/data/state/>

CERTIFICATION OF SERVICE

On this 28th day of September, 2017, the foregoing document was filed with Docket Control as a correspondence from Commissioner Andy Tobin, and copies of the foregoing were mailed on behalf of Commissioner Andy Tobin to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

Doc. No. _ - _ - _ - _ - _ - _ -

By: 

Nick Loper

Deputy Policy Advisor to Commissioner Andy Tobin