

ORIGINAL



0000177136

1 LUBIN & ENOCH, P.C.  
Nicholas J. Enoch, State Bar No. 016473  
2 Kaitlyn A. Redfield-Ortiz, State Bar No. 030318  
Emily A. Tornabene, State Bar No. 030855  
3 349 North Fourth Avenue  
Phoenix, Arizona 85003  
4 Telephone: 602-234-0008  
Facsimile: 602-626-3586  
5 Email: [nick@lubinandenoch.com](mailto:nick@lubinandenoch.com)

AZ CORP COMMISSION  
DOCKET CONTROL

2017 FEB -6 P 3:40

Arizona Corporation Commission

DOCKETED

FEB 6 2017

DOCKETED BY *EB*

6 *Attorneys for Intervenor IBEW Locals 387 and 769*

7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8 TOM FORESE, Chairman  
BOB BURNS, Commissioner  
9 BOYD DUNN, Commissioner  
DOUG LITTLE, Commissioner  
10 ANDY TOBIN, Commissioner

*E-01345A-16-0123*

11 IN THE MATTER OF THE APPLICATION )  
12 OF ARIZONA PUBLIC SERVICE )  
COMPANY FOR A HEARING TO )  
13 DETERMINE THE FAIR VALUE OF THE )  
UTILITY PROPERTY OF THE COMPANY )  
14 FOR RATEMAKING PURPOSES, TO FIX A )  
JUST AND REASONABLE RATE OF )  
15 RETURN THEREON, TO APPROVE RATE )  
SCHEDULES DESIGNED TO DEVELOP )  
16 SUCH RETURN. )

Docket No.: E-01345A-16-0036

**NOTICE OF FILING OF DIRECT  
TESTIMONY OF G. DAVID VANDEVER  
(RATE DESIGN)**

17 Pursuant to the Chief Administrative Law Judge's Procedural Order dated January 13,  
18 2017, Intervenor, Local Unions 387 and 769 of the International Brotherhood of Electrical  
19 Workers, AFL-CIO (collectively "the IBEW Locals"), by and through undersigned counsel,  
hereby file the attached Direct Testimony of G. David Vandever.

20  
21 RESPECTFULLY SUBMITTED this 6th day of February, 2017.

*Nicholas J. Enoch (for ME)*

Nicholas J. Enoch, Esq.  
Lubin & Enoch, P.C.

1 **Q1. Please state your name and business address.**

2 A1. G. David Vandever. My business address is 3060 West Deer Valley Road, Phoenix,  
3 Arizona 85027.

4  
5 **Q2. Are you the same G. David Vandever whose direct testimony was filed in this docket  
6 on December 20, 2016?**

7 A2. Yes.

8  
9 **Q3. On whose behalf are you filing this direct testimony?**

10 A3. This direct testimony is filed on behalf of the IBEW Locals.

11  
12 **Q4. What is the purpose of your testimony?**

13 A4. The purpose of my testimony is to express the IBEW Locals' support for APS's  
14 proposals regarding rate design. Specifically, the IBEW Locals are in favor of  
15 modernizing the pricing structure to more accurately reflect the use of the grid and  
16 updating infrastructure to maintain reliability. In addition, the IBEW Locals fully support  
17 APS's proposal to modify the present Net Energy Metering program to address the  
18 inequity resulting from the substantial cost shift from solar net metering customers to all  
19 other residential customers. Finally, the IBEW Locals are in support of APS's proposal  
20 for the grandfathering of solar net metering customers.

21  
22 **Q5. Why do the IBEW Locals support a modernization of the pricing structure?**

23 A5. The IBEW Locals agree with APS that the two-part rate design is economically  
24 inefficient, ineffective, and unfair due to the misalignment of rates and costs. The IBEW  
Locals have a direct interest in economic efficiency at APS, as it impacts the members'

1 terms and conditions of employment – the most important of which is safety.  
2 Additionally, as I expressed in my direct testimony regarding revenue requirement, the  
3 IBEW Locals are particularly concerned with the large number of skilled workers eligible  
4 for retirement in the near future. Attracting talented and properly trained replacements  
5 for these workers requires economic efficiency and stability at APS. Modernizing the  
6 rate structure will address this problem and create economic stability.

6 **Q6. Why do the IBEW Locals support APS's proposal to modify the present Net Energy**  
7 **Metering program?**

8  
9 A6. The IBEW Locals have been concerned with the substantial and unfair cost shift from  
10 solar net metering customers to all other residential customers for quite some time now.  
11 In fact, as I mentioned in the previous direct testimony I filed in this docket, the IBEW  
12 Locals intervened and participated in the Commission's Investigation of Value and Costs  
13 of Distributed Solar, Docket No. E-00000J-14-0023. The reason for their concern in this  
14 matter is that the magnitude of subsidies solar net metering customers have received has  
15 created a gross inequity among ratepayers and must be rebalanced. The IBEW Locals  
16 believe that APS's proposal is a fair plan to gradually begin this rebalancing effort.

15 **Q7. Is there anything else that you would like to add?**

16 A7. Yes. The IBEW Locals would like to express their support for the expansion of the  
17 following four holidays that APS has proposed for residential time-of-use rates:  
18 (i) Martin Luther King Day; (ii) Presidents Day; (iii) Cesar Chavez Day; and (iv)  
19 Veterans Day.

19 **Q8. Does this conclude your direct testimony?**

20 A14. Yes.

**CERTIFICATE OF SERVICE**

Original and thirteen copies of the IBEW Locals' Notice of Filing of Direct Testimony of G. David Vandever filed this 6th day of February, 2017, with:

Arizona Corporation Commission  
Docket Control Center  
1200 West Washington Street  
Phoenix, Arizona 85007-2996

Copies of the foregoing transmitted electronically or mailed this same date to those identified on the attached service list for this docket.

F:\Law Offices\client directory\IBEW L 387\APS\123\2017-2-6 (1445-123) Direct Testimony - G. David Vandever.docx

Thomas Jernigan

Federal Executive Agencies  
U.S. Airforce Utility Law Field Support Center  
139 Barnes Drive, Suite 1  
Tyndall Air Force Base Florida 32403

thomas.jernigan.3@us.af.mil  
ebony.payton.crt@us.af.mil  
andrew.unsicker@us.af.mil  
lanny.zieman.1@us.af.mil  
natalie.cepak.2@us.af.mil

**Consented to Service by Email**

Kurt Boehm

BOEHM, KURTZ & LOWRY  
36 E. Seventh St. Suite 1510  
Cincinnati Ohio 45202

Nicholas J. Enoch

LUBIN & ENOCH, PC  
349 N. Fourth Ave.  
Phoenix Arizona 85003

Richard Gayer

526 W. Wilshire Dr.  
Phoenix Arizona 85003  
rgayer@cox.net

**Consented to Service by Email**

T. Hogan

ARIZONA CENTER FOR LAW IN THE PUBLIC  
INTEREST  
514 W. Roosevelt Street  
Phoenix Arizona 85003

Timothy M. Hogan

ARIZONA CENTER FOR LAW IN THE PUBLIC INTEREST  
514 W. Roosevelt St.  
Phoenix Arizona 85003

thogan@aclpi.org  
ken.wilson@westernresources.org  
schlegelj@aol.com  
ezuckerman@swenergy.org  
bbaatz@aceee.org  
briana@votesolar.org  
cosuala@earthjustice.org  
dbender@earthjustice.org  
cfitzgerrell@earthjustice.org

**Consented to Service by Email**

Timothy J. Sabo

SNELL & WILMER, LLP  
One Arizona Center  
400 East Van Buren, 19th Floor  
Phoenix Arizona 85004

tsabo@swlaw.com  
jhoward@swlaw.com  
docket@swlaw.com  
pwalker@conservamerica.org

**Consented to Service by Email**

Michael Patten

SNELL & WILMER, LLP  
One Arizona Center  
400 East Van Buren Street  
Phoenix Arizona 85004

mpatten@swlaw.com  
jhoward@swlaw.com  
docket@swlaw.com  
BCarroll@tep.com

**Consented to Service by Email**

Thomas A Loquvam

PINNACLE WEST CAPITOL CORPORATION  
400 N. 5Th St, MS 8695  
Phoenix, Arizona 85004

Thomas.Loquvam@pinnaclewest.com  
Thomas.Mumaw@pinnaclewest.com  
Melissa.Krueger@pinnaclewest.com  
Amanda.Ho@pinnaclewest.com  
Debra.Orr@aps.com  
prefo@swlaw.com

**Consented to Service by Email**

Albert H. Acken

One N. Central Ave Ste 1200  
Phoenix Arizona 85004

aacken@rcalaw.com  
ssweeney@rcalaw.com  
slofland@rcalaw.com  
jjw@krsaline.com

**Consented to Service by Email**

Cynthia Zwick

ARIZONA COMMUNITY ACTION ASSOCIATION  
2700 N. Third St. - 3040  
Phoenix Arizona 85004

czwick@azcaa.org  
khengehold@azcaa.org

**Consented to Service by Email**

Craig A. Marks

CRAIG A. MARKS, PLC  
10645 N. Tatum Blvd.  
Suite 200-676  
Phoenix Arizona 85028  
Craig.Marks@azbar.org  
Pat.Quinn47474@gmail.com

**Consented to Service by Email**

Ann-Marie Anderson

WRIGHT WELKER & PAUOLE, PLC  
10429 South 51st Street, Suite 285  
Phoenix Arizona 85044  
aanderson@wwpfirm.com  
sjennings@aarp.org  
aallen@wwpfirm.com  
john@johncoffman.net

**Consented to Service by Email**

Dennis M. Fitzgibbons

FITZGIBBONS LAW OFFICES, PLC  
P.O. Box 11208  
Casa Grande Arizona 85230  
denis@fitzgibbonslaw.com

**Consented to Service by Email**

Court S. Rich

ROSE LAW GROUP, PC  
7144 E. Stetson Drive, Suite 300  
Scottsdale Arizona 85251  
crich@roselawgroup.com  
hslaughter@roselawgroup.com  
cledford@mcdonaldcarano.com

**Consented to Service by Email**

Thomas E. Stewart

GRANITE CREEK POWER & GAS/GRANITE CREEK  
FARMS  
5316 East Voltaire Avenue  
Scottsdale Arizona 85254-3643  
tom@gcfaz.com

**Consented to Service by Email**

Greg Eisert

SUN CITY HOME OWNERS ASSOCIATION  
10401 W. Coggins Drive  
Sun City Arizona 85351  
gregeisert@gmail.com  
steven.puck@cox.net

**Consented to Service by Email**

Albert E. Gervenack

SUN CITY WEST PROPERTY OWNERS & RESIDENTS  
ASSOCIAT  
13815 Camino Del Sol  
Sun City West Arizona 85375  
al.gervenack@porascw.org  
rob.robbins@porascw.org  
Bob.miller@porascw.org

**Consented to Service by Email**

Patricia C. Ferre

P.O. Box 433  
Payson Arizona 85547  
pFerreact@mac.com

**Consented to Service by Email**

Lawrence V. Robertson, Jr.

210 Continental Road, Suite 216A  
Green Valley Arizona 85622  
tubaclawyer@aol.com

**Consented to Service by Email**

L. Robertson, Jr.

210 Continental Road, Suite 216A  
Green Valley Arizona 85622

Charles Wesselhoft

Pima County Attorney's Office  
32 North Stone Avenue, Suite 2100  
Tucson Arizona 85701  
Charles.Wesselhoft@pcao.pima.gov

**Consented to Service by Email**