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February 11, 2021

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007-2996

OPEN MEETING AGENDA ITEM

Re: Docket No. RU-00000A-18-0284

Dear Chair Márquez Peterson and Members of the Arizona Corporation Commission,

As major businesses, trade associations, employers, and large energy consumers in Arizona, we are committed to increasing the use of renewable energy and energy efficiency in the state. Given our preferences for clean and affordable energy resources, we write to express our support for strong, enforceable clean energy standards in Arizona. Accordingly, we want to thank the Commission, including Chairwoman Márquez Peterson and Commissioner Kennedy, for the November vote to advance the Commission's energy rules to the formal rulemaking process. Specifically, we support:

- A 35% by 2030 Electric Energy Efficiency Resource Standard (EERS), and
- A 100% by 2050 carbon-free electricity standard.

Amidst the ongoing COVID-19 pandemic, we have an opportunity to make Arizona's economy more robust and resilient by investing in clean energy technologies. States with robust clean energy standards create policy certainty--attracting companies seeking to make long-term investments consistent with their sustainability and financial goals. A growing number of companies and institutions, both large and small, have set goals to reduce greenhouse gas emissions, procure renewable energy, and invest in energy efficiency.[1] Clean energy helps businesses and institutions save money, hedge against volatile fuel prices, and stay competitive. In fact, a 2017 analysis shows clean energy saved U.S. companies nearly $3.7 billion a year, freeing up significant capital that we can reinvest into our businesses, students, employees, and local communities.[2] Clean energy targets will lead to increased use of renewable energy and energy

[1] Nearly half of all Fortune 500 companies have set goals to reduce GHG emissions, procure renewable energy, and invest in energy efficiency, see: Ceres. "Power Forward 3.0: How the largest U.S. companies are capturing business value while addressing climate change" April 15, 2017. https://www.ceres.org/resources/reports/power-forward-3.
[2] Ibid.

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efficiency, providing the necessary market signals for businesses and institutions to make additional investments in Arizona and ensure job growth continues in the state's clean energy economy.

To ensure a swift and beneficial recovery from the COVID-19 pandemic, we need policies and programs that promote social and economic recovery. Arizona's current clean energy policies have delivered significant benefits to the state as reliable sources of local investments and have a proven track record of creating jobs and shovel-ready projects for local businesses. A first-of-its-kind report recently commissioned by Ceres found that from 2008 to 2018, REST gross benefits to Arizona utility customers and the public totaled nearly $2 billion.[3] Many of these benefits directly support Arizona's rural communities, which have captured 47% of the state's total installed renewable energy capacity.[4] From 2008-2016, energy saving efforts implemented by the state's three largest utilities have created nearly $3 billion in net economic benefits, saving families and businesses money on their energy bills.[5] The right investments now will produce local jobs, tax revenue, and additional investments for years to come.

Clean energy investments also have the significant added benefit of reducing harmful air pollutants and associated health costs. Improving air quality is not only the right thing to do for public health and for Arizona communities, it also makes economic sense. Fewer instances of respiratory illness, missed days of work and hospitalizations will increase personal disposable income and help reduce the financial pressure on state-funded healthcare programs. Given the ongoing public health crisis, policies that support a healthy workforce have never been more critical.

We recognize the significant opportunity presented by carbon-free energy resources. As such, we urge you to support Arizona's growing clean energy economy by strengthening Arizona's clean energy standards. Thank you for your consideration.

Sincerely,
Ameresco
Arizona Technology Council
Ball Corporation
Building Performance Association
Cree Lighting
EDF Renewables
Franklin Energy
Google
Hotel Congress
Interwest Energy Alliance
Johns Manville
Lutron Electronics
Merit Foods
NAESCO (National Association of Energy Service Companies)
NAIMA (North American Insulation Manufacturers Association)
Oracle

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[3] Ceres and Strategen Consulting, "Arizona Renewable Energy Standard and Tariff: 2020 Progress Report." March 3, 2020. https://www.ceres.org/ArizonaREST.
[4] Ibid.
[5] Southwest Energy Efficiency Project. "Arizona Electric Utility Energy Efficiency Programs: A Success Story" August 2017. https://www.swenergy.org/Data/Sites/1/media/az-success-story-utility-ee-2017-final.pdf.

Primavera Foundation
REI Co-op
Salesforce
Schneider Electric
Sonoran STEM Science Academy
TechNet
Tucson 2030 District
Uplight
Wildwind Realty, LLC: The Historic Y and Studio Y

For additional information or to connect with the signatories, please contact Emily Duff of Ceres at duff@ceres.org.

More information about the signatories:

Ameresco, Inc. is a leading independent provider of comprehensive energy efficiency and renewable energy solutions for facilities throughout North America and the United Kingdom, delivering long-term value through innovative systems, strategies and technologies. Ameresco's solutions range from upgrades to facility's energy infrastructure to the development, construction and operation of renewable energy plants combined with tailored financial solutions. With offices in Chandler, Phoenix, and Tucson, Ameresco is committed to the success of Arizona's clean energy future.

The **Arizona Technology Council** is the largest technology-driven trade association in Arizona and one of the largest in North America, with almost 750 members. Its membership base is a diverse range of technology companies, associate vendors, educational institutions, governmental partners, and non-profit organizations. It is the principal advocate for science- and technology-based companies in Arizona.

Ball Corporation is a provider of metal packaging for beverages, foods and household products, and of aerospace and other technologies and services to commercial and governmental customers. Founded in 1880, the Fortune 500 company employs more than 18,300 people worldwide. In Arizona, Ball operates beverage packaging plants in Phoenix and Goodyear. Ball Corporation is in the top 10 largest corporate renewable energy buyers and is committed to reducing its absolute carbon emissions within its own operations by 55 percent and within its value chain by 16 percent by 2030 against a 2017 baseline.

The **Building Performance Association** is an industry association dedicated to advancing the home and building performance industry by delivering improved energy efficiency, health, safety, and environmental performance of buildings through our key stakeholders. The Association supports 9,500+ home performance contractors, weatherization agencies and training centers, product manufacturers and distributors, program sponsors and implementers, building scientists, and non-profits focused on residential and commercial energy efficiency.

Cree Lighting is a market-leading innovator of Indoor, Outdoor, and Consumer Bulb LED lighting. We are uniquely positioned to innovate new ways in which lighting will serve as a platform for emerging technologies and capabilities that will enrich lives, improve society and safeguard our planet.

Franklin Energy delivers flexible energy efficiency and grid optimization programs for utility, state, and municipality clients nationwide, leveraging over 25 years of experience.

The **Hotel Congress**, built in 1919, is the cultural landmark that anchors Downtown Tucson. In addition to being a hotel, the Hotel Congress building also houses a restaurant, bar and music venue.

The **Interwest Energy Alliance** is a non-profit trade association that brings the nation's renewable energy industry together with the West's advocacy community in a consensus-based, collaborative approach to market development in the West (AZ, CO, NV, NM, UT & WY).

Johns Manville, a Berkshire Hathaway company (NYSE: BRK.A, BRK.B), is a leading manufacturer and marketer of premium-quality products for building insulation, mechanical insulation, commercial roofing and roof insulation, as well as fibers and nonwovens for commercial, industrial and residential applications. JM serves markets that include aerospace, automotive and transportation, air handling, appliance, HVAC, pipe and equipment, filtration, waterproofing, building, flooring, interiors and wind energy. In business since 1858, the Denver-based company has annual sales over $3 billion and holds leadership positions in all of the key markets that it serves. Johns Manville employs 8,000 people and operates 46 manufacturing facilities in North America, Europe and China, including a facility in Tucson, AZ. Additional information can be found at www.jm.com.

Lutron Electronics designs and manufactures lighting controls and lighting control systems for both residential and commercial applications. Lutron's founder, Joel Spira, invented the first solid-state electronic dimmer in 1961. In 2010, his early prototypes and notebooks were inducted into the Smithsonian Museum of American History in Washington, DC. Today, the company is devoted to controlling both electric lighting and daylight, offering more than 15,000 lighting and window shade products around the globe. Together, they save more than 10 billion kWh of electricity annually, saving consumers more than $1 Billion each year.

Merit Foods is an independent family owned food distribution company that has been serving Arizona restaurants and individuals since 1961. Merit Foods operates a 40,000 sq. ft. warehouse in Tucson.

Microsoft (Nasdaq "MSFT" @microsoft) enables digital transformation for the era of an intelligent cloud and an intelligent edge. Its mission is to empower every person and every organization on the planet to achieve more.

NAESCO is the leading national trade association of the energy services industry. NAESCO numbers among its members some of the world's leading energy services companies. During the past twenty years, NAESCO member companies have implemented energy efficiency, demand response, renewable energy and distributed generation projects for government, industrial, commercial, institutional and residential customers, including several hundred million dollars' worth of projects in Arizona. Nationally, NAESCO member projects have produced: $60 billion in projects paid from savings, $65 billion in guaranteed savings, 570,000 person-years of direct employment, $43 billion in infrastructure improvements in public facilities and 500 million tons of CO2 savings at no additional cost.

NAIMA (North American Insulation Manufacturers Association) is the recognized voice of the insulation industry, bringing together North American manufacturers of fiberglass and mineral wool insulation products.

Oracle is a Fortune 500 cloud technology company that provides organizations around the world with computing infrastructure and software to help them innovate, unlock efficiencies and become more effective. Oracle is committed to a 55% reduction in emissions per unit of energy consumed and 26% reduction in absolute emissions by 2025 for its real estate and facilities, as well as Oracle Cloud. Additionally, since 2011, Oracle's Opower programs have achieved over 400 million kWh in energy savings in AZ, representing over $25m in customer bill savings.

The **Primavera Foundation** provides pathways out of poverty through safe, affordable housing, workforce development and neighborhood revitalization. Founded in 1983 and based in Tucson,

Primavera's vision is to promote economic and social justice while working to build a future in which all people are assured basic human rights, a livable income and safe, affordable housing.

Recreational Equipment, Inc. (REI) is a specialty outdoor retailer and the national largest consumer co-op. Today, the REI community has 19 million lifetime members, over 13,000 employees and 168 locations in 39 states and the District of Columbia. REI is committed to carbon neutrality and has pledged to reduce its 2020 emissions 55% by 2030. In Arizona, REI has 4 retail stores and operates a LEED Platinum certified distribution center in Goodyear.

Salesforce, the global CRM leader, empowers companies of every size and industry to digitally transform and create a 360° view of their customers. The Science Based Targets Initiative has approved the company's 1.5°C science-based emission reduction target and Salesforce is on track to achieve 100% renewable energy for global operations by 2022. For more information about Salesforce (NYSE: CRM)

Schneider Electric is a global company providing energy solutions and automation digital solutions for efficiency and sustainability. Schneider Electric combines world-leading energy technologies, real-time automation, software and services into integrated solutions for homes, buildings, data centers, infrastructure and industries. Schneider Electric employs more than 140,000 people worldwide and is committed by 2030 to power its 100% of its operations with renewable energy (80% by 2020), to double energy productivity, to achieve net-zero operational emissions, and to help its customers save 120 million metric tons of CO2.

Sonoran Science STEM Academy is COGNIA accredited, College Board approved 501(c)(3). Sonoran Science students apply scientific models to investigate Earth and Space phenomena. Sonoran Science Academy is located in Phoenix, Peoria, Chandler, and Tucson. Sonoran Science Academy focuses on project-based learning and computational thinking to prepare students for college, career, and lifelong learning.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over three million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance. As the Voice of the Innovation Economy, TechNet advances public policies and private sector initiatives at the federal, state, and local levels that make the United States the world leader in innovation.

The **Tucson 2030 District** is a private-public collaborative working to create groundbreaking high performance building districts in Tucson to demonstrate that high performing buildings can be the most valuable and economic buildings in the readion.

Uplight is the leading provider of end-to-end customer-centric technology solutions dedicated solely to serving the energy ecosystem. More than 80 utilities around the globe use Uplight solutions to power their customer energy experience. Uplight is a certified B Corporation—the highest standard for social corporate responsibility. Uplight has the ambitious goal of reducing CO2 emissions by more than 100 million metric tons and saving consumers more than $10 billion on their energy bills in the next 5 years.

Wildwind Realty, LLC: The Historic Y and Studio Y. The Historic Y is the premier center for the arts, education, human rights, and social and environmental justice in Tucson. Studio Y includes private offices and a central studio space for events.