

Pilot program in Flagstaff envisions interconnected solar rooftops

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APS is launching an innovative pilot project in Flagstaff that ultimately could provide a substantial increase in the number of solar rooftops statewide.

As envisioned in a proposal filed today with the Arizona Corporation Commission, the APS Community Power Project will bring solar panels to the rooftops of homes and businesses with no upfront costs to customers. These panels will become, in essence, an interconnected renewable power plant. This pilot project will enable APS to measure system impacts and to better understand the total customer experience with technology.

The company is introducing the project at an event today at Northern Arizona University's Applied Research & Development building in Flagstaff. APS CEO **Don Brandt** and Vice President for Energy Delivery **Daniel Froetscher** will speak, along with Flagstaff Mayor Sara Presler, Coconino County Supervisor Carl Taylor, Arizona Corporation Commission Chairwoman Kris Mayes and Commissioner Paul Newman, and two solar installers involved with the project.

Brandt also introduced the project to Flagstaff customers with a [letter to the community](#) in the *Arizona Daily Sun*.

APS will own, operate and receive energy from solar panels on eligible customer rooftops. The company will hire solar contractors to install and maintain the systems. Customers will receive an attractive long-term Community Power Rate for the solar portion of their bill, which will remain fixed at a guaranteed level — approximately equivalent to what they pay today — for 20 years. For more information about how the program works, visit www.aps.com/communitypower.

"The APS Community Power Project will provide our customers another easy option to 'go solar' while further accelerating the solar industry in Arizona. The project eliminates upfront costs of more than \$10,000 to each customer, which we know from our experience has been a major deterrent to distributed solar systems here and elsewhere," Brandt said. "We want to make solar energy affordable to everyone."

APS intends to generate 1.5 megawatts (MW) of electricity from the Community Power Project. Under the current plan, 200 to 300 qualified participants will be interconnected with the electrical grid along a single electric distribution area, or "feeder," called Sandvig 4 in northeast Flagstaff. This area, which serves approximately 3,000 residential and business customers, is bounded by Wupatki Trail to the north, Railhead Avenue to the south, Kochfield Road to the east and Timberline Estates to the west.

Additionally, APS will install utility-scale banks of solar panels and small wind turbines in the test area. The company also plans to install 50 solar water heaters in the pilot area on homes of customers with limited incomes.

The APS Community Power Project will benefit from ongoing Smart Grid initiatives in Flagstaff, where automated meters and switches on lines and substation equipment are being installed to provide enhanced two-way communications with APS. The technologies will improve responsiveness and reliability and eventually lead to other innovations and customer benefits.

While the investment in the pilot project will total \$14.7 million, it will not result in an increase to customer bills because much of the funding is included in the Renewable Energy Standard (RES) surcharge already collected. Arizona's RES requires 15 percent of APS's generation to come from renewable resources by 2025.

"The Arizona Corporation Commission has shown great leadership and support of renewable energy and solar power in particular," said Brandt. "We believe this is the type of innovation they have encouraged, and they will be vital partners as we test the possibilities for community-powered solar energy in Arizona."

APS plans to use renewable energy to meet 1,600 MW of the more than 4,000 MW of growth in energy consumption expected over the next 15-20 years. While much of this energy will come from central power stations such as Solana, a 280-MW concentrating solar facility planned for 2012 near Gila Bend, Ariz., 30 percent of the RES is required to be generated from distributed sources, such as rooftop solar installations.

"This project provides great advantages to all Arizonans because of its broad-based benefits to the environment and to the economy. The initiative also stimulates the market for solar manufacturers and installers," said Brandt. "On the APS side, we will be the first utility in the nation to offer a fixed rate in exchange for hosting a system. We also will be one of the first to study and fully understand the impact on the electrical system when high concentrations of consumers are producing renewable energy that goes on the grid."

Visit the APS Community Power Project Web site at www.aps.com/communitypower. Information on current ACC-approved APS renewable energy programs for customers can be found at www.aps.com/greenchoice.