



Ken Baker  
2001 SE 10<sup>th</sup> Street  
Bentonville, AR 72716-0550  
Phone 479.204-0404  
kebaker@wal-mart.com

October 1, 2009

Utah Public Service Commission  
Heber M. Wells Building  
160 East 300 South  
Salt Lake City, UT 84114

Re: Utah Interconnection Standards; Docket No. 09-R312-01

This letter comprises the comments of Wal-Mart Stores, Inc. and Sam's West, Inc. (collectively, "Wal-Mart") in the above referenced docket.

In the State of Utah, Wal-Mart currently operates, 34 Supercenters, 2 discount stores, 5 Neighborhood Markets, 8 Sam's Clubs, and 3 Distribution Centers while employing over 17,000 associates. In calendar year 2008, Wal-Mart consumed over 19 million kwh of electricity within the state.

Wal-Mart has also implemented an aspirational goal of being supplied by 100% renewable energy. We have successfully completed 20 solar installations at our facilities in California and Hawaii. In 2008, these systems have produced more than 7 million kilowatt-hours of clean, renewable energy. Wal-Mart has also entered into a development agreement to install solar panels on an additional 10 - 20 Wal-Mart stores by 2011. Additionally, in April of 2009, Wal-Mart began receiving clean electricity produced by wind power as part of a four year power purchase agreement with Duke Energy. The electricity purchased is expected to supply up to 15 percent of Wal-Mart's total energy load in 350 of its facilities located in Texas.

## GENERAL COMMENTS

Wal-Mart would like to commend the Commission for developing rules that will help remove barriers to efficient and safe interconnection procedures at the most reasonable cost to the consumer.

Specifically, Wal-Mart would like to compliment the Commission on their proposed dispute resolution prescribed in Rule 746-312-3 (5)(b) and the speed with which the dispute between the parties shall be resolved. Additionally, Wal-Mart supports the idea of allowing voluntary aggregation of meters as well as the concept of no insurance requirements for systems under 2 MW.

As to the Rules dealing with requirements for the various levels of interconnection, Wal-Mart believes that small generation systems have the ability to enhance competition in the energy market if the regulatory environment permits. It is our position that interconnection agreements should only go as far as necessary to ensure reliability and safety. Inclusion of burdensome controls and excessive cost could stifle competition of renewable resources. In order for any renewable program to be successful, the process should be streamlined as much as possible in order to be as cost effective as possible. For example, we ask that the Commission take specific care not to allow the "feasibility studies" discussed in the various sections of the rule to become overly burdensome and expensive. Also, applicants with facilities sited at various geographical locations within the state should be allowed to shift or move the application from one location to another without losing any fees or cost associated with the

application. Through our experience, we have found that there are occasionally sound reasons, both financial and logistical, that have required trading substitution of one location for another. Subjecting the applicant to extra expense would be detrimental to encouraging renewable development within the state and costly for the applicant.

Another major issue we have experienced with interconnection agreements in general is their incompatibility with the various forms of financing that is being used such as sale-lease backs and off-take Power Purchase Agreements ("PPA"). Although the interconnection agreement should be streamlined, it should also have the flexibility to conform with the agreement between the parties to the renewable agreement.

Wal-Mart is aware that the current status of PPA's are not relevant to this docket, however, we would like to strongly encourage that the issue be revisited either by the Commission or the Legislature. States that require an owner of a renewable generation system to be classified as a utility in order to enter into a financing mechanism such as a PPA could slow down the pace of renewable development. Additionally, it removes a powerful negotiating tool from a company like Wal-Mart whose ultimate goal is to become supplied by 100% renewable energy.

## **CONCLUSION**

Wal-Mart would again like to thank the Commission for its efforts in implementing a workable interconnection agreement and for allowing us to provide these comments. We look forward to working with the Commission and various parties in the future to encourage participation and growth in Utah's renewable resources.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ken Baker", is written above a horizontal line.

Kenneth Baker  
Sr. Mgr. Sustainable Regulation  
Wal-Mart Stores, Inc.  
2001 SE 10th St.  
Bentonville, AR 72716-0550