

**IN THE MATTER OF THE APPLICATION OF  
PUBLIC SERVICE COMPANY OF  
COLORADO FOR APPROVAL OF ITS 2009  
RENEWABLE ENERGY STANDARD  
COMPLIANCE PLAN**

**DOCKET NO. 08A-532E**

**ANSWER TESTIMONY OF  
RICK COEN**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO**

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**1 Q. How does distributed ownership of generation resources benefit ratepayers?**

2 A. CoSEIA supports the on-site solar program as an effective means of achieving a balance  
3 in regard to the allocation of resources. We believe there is a net benefit to all ratepayers  
4 from the distributed ownership of generation resources by leveraging ratepayer  
5 contributions with the additional financial contribution from the on-site owner of the  
6 acquired resource. Utility ownership of on-site solar electric generating systems could  
7 effectively be applying resources that are more expensive for the ratepayer. In order to  
8 acquire resources, if they are owned by the individual PV customer, the customer is  
9 paying for roughly half the cost of the system while the ratepayer is paying for the  
10 remainder. If the utility owns the system, the ratepayer will be paying the entire cost  
11 rather than leveraging the value of private investments. The utility makes its revenue  
12 from ratepayers and so the ratepayers are paying more into the system than if the PV  
13 customer was paying for their portion of the cost of the system.

**14 Q. What is CoSEIA's position with respect to REC rebates for tax exempt entities?**

15 A. CoSEIA agrees with the Company that the Company's specific plans and proposals for  
16 the Company ownership of PV systems on customer premises should be addressed in a  
17 separate docket. CoSEIA supports the raising of the REC for tax exempt customers.

1 CoSEIA would also like to point out that the REC and the tax credit do not entirely  
2 overlap. Asking consumers to come up with more upfront costs by dropping the REC  
3 \$1.00 per watt has stalemated new acquisitions, and many ratepayers lack the potential to  
4 cash in on the investment tax credit.

5 **Q. What is CoSEIA's reaction to statements that the current rebate level is too**  
6 **generous?**

7 A. In light of today's economy and the Company's recent reduction of the rebate level, the  
8 current rebate is in no danger of being "too generous." PSCO has provided the  
9 information that there were total 28 applications for the small and medium categories in  
10 December and 35 in January. In light of the downturn in both the economy and the REC,  
11 CoSEIA believes PSCO should keep a hands off approach to the small system categories  
12 at this time. Third party development of the upfront cost of the systems may keep these  
13 market segments from collapsing altogether for this year.