Decision No. C14-1112

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 11A-418E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2012 RENEWABLE ENERGY STANDARD COMPLIANCE PLAN.

DECISION ADDRESSING 2013 RENEWABLE ENERGY STANDARD COMPLIANCE REPORT

Mailed Date: September 12, 2014 Adopted Date: September 10, 2014

I. <u>BY THE COMMISSION</u>

A. Statement

- 1. This matter comes before the Commission in consideration for approval of the 2013 annual Renewable Energy Standard (RES) Compliance Report filed by Public Service Company of Colorado (Public Service or Company) on June 2, 2014 pursuant to Rule 3662 of the Commission's RES Rules, 4 *Code of Colorado Regulations* 723-3-3650, *et seq*.
- 2. The Commission issued a notice of the Company's filing on June 3, 2014, setting a deadline of July 3, 2014 for interested parties to submit comments. No public comments were filed.
- 3. Rule 3663(a)(III) of the RES Rules requires Staff of the Commission (Staff) to review the 2013 Annual Compliance Report and, within 60 days of its filing, make a recommendation to the Commission as to whether Public Service complied with the RES during 2013, whether a hearing is necessary, and whether any changes to the annual compliance report are needed. The deadline for the filing of Staff's report was August 1, 2014.

4. On July 29, 2014, Staff filed a Motion for Extension of Time to file its review of the RES Compliance Report. Staff stated that it had scheduled an audit of Public Service's Renewable Energy Credit (REC) tracking procedures, but that due to the press of business, the audit and analysis will not be completed by the filing deadline. Staff sought additional time to analyze information regarding Public Service's REC tracking procedures and to validate the information contained in the report. Staff requested September 2, 2014 as the new deadline for its filing.

- 5. The Commission granted Staff's Motion by Interim Decision No. C14-0971-I on August 11, 2014 and established September 2, 2014 as the deadline for Staff to file its report.
 - 6. Staff timely filed its review of Public Service's 2013 RES Compliance Report.

B. Discussion and Findings

- 7. In accordance with the RES for 2013, Public Service was required to generate 12 percent of its retail electric sales from eligible energy resources. Public Service's retail sales for 2013 were 28,858,176 MWhs; therefore the 12 percent RES requirement equals 3,462,981 MWhs. As part of the 12 percent requirement, Public Service was required to generate 1.25 percent of its retail electric sales (or 360,727 MWhs) from renewable distributed generation (DG) resources. At least one half of those MHs (or 108,364 MHs) must be from retail distributed generation (RDG) resources.
- 8. Pursuant to Rule 3659, compliance with the RES is generally demonstrated through the retirement of RECs.¹ As each REC corresponds to 1 MWh, Public Service was required to retire at least 3,462,981 RECs for the 2013 compliance year.

¹ Under Rule 3652, each REC is associated with 1 MWh of generation from a renewable energy resource. However, pursuant to Rule 3654, each MWh of renewable energy generated in Colorado provides 1.25 RECs for the purpose of demonstrating compliance with the RES.

- 9. Based on its review of Public Service's Annual Compliance Report, Staff concludes that Public Service retired sufficient RECs to comply with all aspects of the RES for 2013.
- 10. Staff calculates that Public Service has 243,478 RDG RECs, 2,394,431 Wholesale DG RECs, and 12,046,382 non-DG RECs that it can carry forward for future compliance.
- 11. We find that Public Service is in compliance with the RES Rules for 2012. Public Service may carry forward 243,478 RDG RECs, 2,394,431 Wholesale DG RECs, and 12,046,382 non-DG RECs that can be used to meet RES requirements in future years, in accordance with the Commission's RES Rules, or for any other legal purpose.

II. ORDER

A. The Commission Orders That:

- 1. Public Service Company of Colorado (Public Service) is in compliance with the Renewable Energy Standard (RES), including its distributed generation requirements, for the 2013 compliance year. Therefore, no hearing is necessary.
- 2. Public Service shall carry forward the renewable energy credits generated in 2013 in excess of those used to demonstrate compliance with the RES in 2013, consistent with the discussion above.
- 3. The 20-day period provided by § 40-6-114(1), C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the Commission mails or serves this Decision.
 - 4. This Decision is effective upon its Mailed Date.

B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING September 10, 2014.

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OF COLORADO *

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ATTEST: A TRUE COPY

Doug Dean, Director THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

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Commissioners