

Decision No. R23-0636-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 23M-0464EG

IN THE MATTER OF THE COMMISSION'S IMPLEMENTATION OF ASPECTS OF SENATE BILL 23-291 INCLUDING ITS CONSIDERATION OF CUSTOMER CONNECTIONS TO AND DISCONNECTIONS FROM INVESTOR-OWNED ELECTRIC AND GAS UTILITY SYSTEMS AND THE STUDY OF POTENTIAL BARRIERS TO BENEFICIAL ELECTRIFICATION AND DISTRIBUTED ENERGY RESOURCES.

**INTERIM DECISION OF HEARING COMMISSIONER
MEGAN M. GILMAN
ISSUING INITIAL QUESTIONS TO LAUNCH STUDY AND
SCHEDULING PUBLIC COMMENT HEARING ON
ELECTRIC UTILITY CONNECTIONS**

Mailed Date: September 20, 2023

I. STATEMENT

1. By Decision No. C23-0627, issued on September 18, 2023, the Commission opened this Proceeding to implement certain provisions in Senate Bill (SB) 23-291 related to customer connections to and disconnections from investor-owned electric and gas utility systems. One purpose of this Proceeding is to facilitate the study the Commission must complete addressing potential barriers to beneficial electrification of transportation and buildings (BE) and the deployment of distributed energy resources (DERs).

2. This Decision sets forth initial questions for answers from Colorado's two investor-owned electric utilities, namely Public Service Company of Colorado (Public Service) and Black Hills Colorado Electric, Inc. (Black Hills), as means to launch the study into barriers to BE and the deployment of DERs pursuant to § 40-3.2-104.6, C.R.S.

3. This Decision further schedules a public comment hearing to receive accounts from prospective utility customers, builders and housing developers, local government officials, and utility representatives regarding electric utility policies and practices related to requests for new electric service, including the costs and timing of service upgrades for necessary system interconnection.

II. DISCUSSION, FINDINGS, AND CONCLUSIONS

A. BE and DER Barriers Study

4. Section 40-3.2-104.6, C.R.S., requires the Commission to complete a study examining existing investor-owned electric utility tariffs and interconnection policies and practices with barriers to BE and the offsetting of that energy use with distributed energy resources DER. In addition to barriers presented by tariffs, policies, and practices, the Commission must examine whether traditional cost-causation and cost recovery principles (*i.e.*, cost-of-service ratemaking as applied in Colorado) pose barriers to the adoption of BE and DER, including whether customers are required to bear the full incremental cost of transformer or service upgrades needed at the time of interconnection (*e.g.*, transformer, substation, or service upgrades). SB 23-291 further references the utility's Distribution System Planning (DSP) process and requires the Commission to examine whether DSP can better plan for and accommodate future BE and DER investments to align with the state's greenhouse gas emission reduction goals. The study must be completed no later than March 15, 2024.

5. The Commission will employ various means to accomplish its statutory responsibilities, including the hiring of third-party consultants to provide research and analysis that will assist the Commission in satisfying its obligation to complete the study required in § 40-3.2-104.6,

C.R.S. The Commission has contracted Lotus Engineering and Sustainability and Group 14 Engineering.

6. To facilitate the launch their analysis, this Decision sets forth initial questions to be answered by Public Service and Black Hills through filings in this Proceedings. The questions are included in Attachment A.

7. Public Service and Black Hills shall file responses to these questions in this Proceeding no later than October 6, 2023.

B. Public Comment Hearing on New Utility Connections

8. The study required by § 40-3.2-104.6, C.R.S., must examine whether traditional cost-causation and cost recovery principles (*i.e.*, the way rates are set) pose barriers to BE and DER, including whether customers are required to bear the full incremental cost of transformer or service upgrades needed at the time of interconnection (*e.g.*, transformer, substation, or service upgrades). SB 23-291 further references the utility's Distribution System Planning (DSP) process and requires the Commission to examine whether DSP can better plan for and accommodate future BE and DER investments.

9. For the purpose of collecting information regarding current stakeholder experiences in securing new electric services, it is necessary to solicit oral and written comments from prospective utility customers, builders and housing developers, local government officials, and utility representatives regarding electric utility policies and practices related to requests for new electric service, including the costs and timing of service upgrades for necessary system interconnection.

10. A public comment hearing is scheduled for the afternoon of October 4, 2023 using the web platform Zoom. To ensure a clear record and orderly hearing progression, those interested in providing public comment during the hearing must register for the hearing in advance using a link posted on the Commission's calendar of events for the date and time of the hearing at: <https://puc.colorado.gov/puccalendar>. Registrants will receive an email with the link, meeting ID code, passcode, and call-in information to join the Zoom hearing to provide public comment. If an interested person is unable to obtain the link and register, they can contact the Commission for assistance at (303) 894-2000.

11. The public comment hearing is scheduled to commence at 1:00 p.m. and will conclude no later than 3:00 p.m. The hearing will not be held open for public comments after all those who have appeared have provided public comment, even if this means concluding the hearing before 3:00 p.m. For example, if all those who appear at the hearing have provided public comment by 2:00 p.m. or sooner, the hearing will be adjourned. This also means that anyone who chooses to join the public comment hearing after the 1:00 p.m. start time assumes the risk that the hearing will already be concluded.

12. Consistent with Commission practice, the public comment hearing will be webcast on the Commission's website. Persons wishing to observe, but not participate in the hearing may do so by observing the webcast of the hearing and need not join the hearing by telephone or videoconference. To observe the hearing by webcast, enter this link in the web browser at puc.colorado.gov/webcasts and select the audio or video option for assigned hearing room on the date and time of the hearing. Interested persons who do not wish to provide comments during the hearing are encouraged to observe the hearing through the webcast because this will help minimize background noise during the hearing and may assist in the orderly progression of the hearing.

13. The Commission strives to accommodate all members of the public at its hearings by providing services for foreign language users and persons with disabilities upon receipt of a reasonable accommodation request. Registrants requesting an interpreter during the public comment hearing should complete the [Language Access Form](#) under the “How to Make Comments” tab at <https://puc.colorado.gov/how-to-participate> at least one week prior to the event. Requests for accommodation can also be made directly by contacting Holly Bise at (303) 894-2024 or holly.bise@state.co.us.

14. Interested persons are encouraged to submit written comments through either the Commission’s Electronic Filing System at <https://www.dora.state.co.us/pls/efi/EFI.homepage> in this Proceeding, or the Commission’s website at <https://puc.colorado.gov/> by clicking on the “FILE A COMMENT OR COMPLAINT” link. Anyone using the latter option should ensure that their comments include this Proceeding number.

15. Verbal comments can be provided during the scheduled public comment hearing, or by leaving a voice mail message at (303) 869-3490. Voice mail public comments will be placed in the record of this Proceeding and should include a reference to this Proceeding number.

III. ORDER

A. It is Ordered That:

1. Consistent with the discussion above, Public Service Company of Colorado and Black Hills Colorado Electric, Inc. shall file responses to the questions included in Attachment A to this Decision no later than October 6, 2023.

2. A public comment hearing is scheduled as follows:

DATES: October 4, 2023

TIMES: 1:00 p.m., continuing until concluded, but no later than 3:00 p.m.

PLACE: By video conference or telephone using the Zoom web conferencing platform at a link emailed to all those who register to participate in the public comment hearing.

3. All those who wish to provide comments in the public comment hearing must register for the public comment hearing to receive the Zoom information to join the hearing. Interested persons must register to participate in the public comment hearing by clicking on a link available on the Commission's calendar of events on its website for the date and time(s) of the hearing at puc.colorado.gov/puccalendar.

4. Those wishing to observe but not participate in the above public comment hearing may do so by observing the Commission's webcast for the assigned hearing room at: puc.colorado.gov/webcasts.

5. Members of the public who wish to provide written comments may do so by following the instructions in this Decision.

6. This Decision is effective upon its Mailed Date.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

MEGAN M. GILMAN

Hearing Commissioner

ATTEST: A TRUE COPY

Rebecca E. White,
Director