

Decision No. R23-0747-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 23M-0466EG

IN THE MATTER OF THE COMMISSION'S EXAMINATION OF THIRD-PARTY PROVISION OF GAS DEMAND RESPONSE SERVICES, VIRTUAL POWER PLANTS, AND NEIGHBORHOOD ELECTRIFICATION IN PUBLIC SERVICE COMPANY OF COLORADO'S ELECTRIC AND NATURAL GAS SERVICE AREAS PURSUANT TO DECISION NO. C23-0413.

**INTERIM DECISION OF
HEARING COMMISSIONER TOM PLANT
SCHEDULING WORKSHOP**

Mailed Date: November 3, 2023

I. STATEMENT

1. By Decision No. C23-0628, issued on September 18, 2023, the Commission opened this Proceeding to explore third-party implementation of certain pilot programs in the electric and natural service areas of Public Service Company of Colorado (Public Service) in accordance with Decision No. C23-0413.¹

2. By Decision No. R23-0637-I, Hearing Commissioner Tom Plant issued an initial set of questions to Public Service and other interested persons regarding the development and implementation of requests for proposals (RFPs) for third-party implementation of three pilot programs: (1) virtual power plants (VPPs); (2) natural gas demand response; and (3) neighborhood electrification. That decision also indicated that a second workshop with Public Service and other

¹ Decision No. C23-0413, issued on June 22, 2023, Proceeding No. 22A-0309EG.

interested persons would be scheduled following the submission of responses to follow-up questions issued after an initial workshop held on October 11, 2023.

3. This Decision schedules the second workshop on November 21, 2023.

II. DISCUSSION, FINDINGS, AND CONCLUSIONS

4. As explained in Decision No. R23-0719-I, the initial workshop on October 11, 2023, was focused on mechanisms for designing a VPP program, investigating ways to pursue gas demand response, and the potential design of a neighborhood electrification program. The workshop raised a possibility that these programs and objectives may be parts of a larger whole and that it is possible to design an RFP for a market platform (enabler) that would contract with Public Service (the buyer) and recruit service delivery aggregators and customers (sellers) to achieve specific programmatic objectives. Potential advantages of a market platform approach would include the ability to modify pilots based on results and easily scale them, harness the opportunities of innovation in the private sector, maintain cost control, and reduce the risk associated with selecting one or two specific pilot providers.

5. Decision No. R23-0719-I set forth the follow-up questions from the initial October 11, 2023 workshop. The questions were anchored in the primary objectives of the proceeding as detailed by the Commission in accordance with Decision No. C23-0413: “to maximize the value of ratepayer-funded investments made in utility infrastructure” by engaging third parties in RFPs to “focus on three pilots: (1) virtual power plants; (2) natural gas demand response; and (3) neighborhood electrification.”²

² Decision No. C23-0413 at ¶ 207.

6. A second workshop is scheduled to address, based on the responses to the questions and the comments offered at the initial workshop, the following four items as highlighted in Decision No. R23-0719-I: (1) identifying the core objectives and timelines for the three pilots; (2) setting the main technical, cost, and time parameters for the RFPs; (3) establishing milestones for the RFPs; and (4) setting operational and reporting milestones for the pilots). This second workshop shall take place remotely on Tuesday, November 21, 2023, from 9:00 a.m. to 12:00 p.m. The remote technical conference will be held using the web-hosted video conferencing service Zoom. The link and meeting ID or access code will be provided by e-mail to persons who registered to participate in the October 11, 2023 workshop. Other interested persons seeking to participate in the second workshop on November 21, 2023, are asked to request the link and meeting ID by sending an email to ron.davis@state.co.us no later than 3:00 p.m. on Monday, November 20, 2023.

III. **ORDER**

A. **It Is Ordered That:**

1. Consistent with the discussion above, a workshop is scheduled as follows:

DATES: November 21, 2023

TIMES: 9:00 a.m., continuing until concluded, but no later than 12:00 p.m.

PLACE: By video conference or telephone using the Zoom web conferencing platform.

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

3. This Decision is effective upon its Mailed Date.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

TOM PLANT

Hearing Commissioner

ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Rebecca E. White".

Rebecca E. White,
Director