

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19A-0369E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF
COLORADO FOR APPROVAL OF ITS 2020-2021 RENEWABLE ENERGY COMPLIANCE
PLAN.

**COMMISSION DECISION GRANTING
MOTION TO MODIFY ITS SOLAR*REWARDS
COMMUNITY BID EVALUATION CRITERIA**

Mailed Date: October 6, 2020
Adopted Date: September 30, 2020

I. BY THE COMMISSION

A. Statement

1. Through this Decision, we grant the unopposed motion filed as directed by the Commission in Decision No. C20-0289, at Paragraph No. 35 by Public Service Company of Colorado (Public Service or the Company), on September 21, 2020, requesting to modify its Solar*Rewards Community (S*RC) Bid Evaluation Criteria and Correspondingly Amend its 2020-2021 Renewable Energy Compliance Plan (2020-21 RE Plan or RE Plan) to reflect the modified Bid Evaluation Criteria (Motion).

B. Background

2. Public Service commenced this Proceeding by filing on June 28, 2019, its application for Commission approval of its 2020-21 RE Plan, pursuant to Rule 4 *Code of Colorado Regulations* (CCR) 723-3-3657 of the Commission's Rules Regulating Electric Utilities. In its application, Public Service explains that its proposal is meant as a "bridge plan" that continues the Company's existing programs pending resolution of ongoing Commission

rulemakings and other factors that could result in a dramatically different RE Plan for the years 2022 through 2025.

3. After the evidentiary hearing on December 10, 11, and 12, 2019, and considering testimony filed by the numerous parties,¹ on February 14, 2020, Administrative Law Judge (ALJ) Mirbaba issued Decision No. R20-0099 (Recommended Decision), largely approving the 2020-21 RE Plan. In the opening paragraphs of the Recommended Decision, the ALJ describes that the approved Plan exceeds the requirements of the renewable energy standard (RES), codified at § 40-2-124(1), C.R.S. Within her findings, the ALJ explains that she found the numerous broad policy issues raised by parties more appropriately resolved through several significant ongoing Commission rulemakings. Finally, the ALJ states the Recommended Decision attempts to remain true to the Commission's constitutional and statutory obligations and related legislative intent to sculpt a fair, equitable, and cost-effective RE Plan that benefits Colorado overall.

4. The Commission addressed exceptions² to the Recommended Decision through Decision No. C20-0289, issued April 28, 2020 (April Decision). Within its April Decision, the Commission affirmed the Recommended Decision's approval of the Company's proposed

¹ The following parties either intervened of right, or were granted authority to permissively intervene in this matter: the Office of Consumer Counsel (OCC); the Colorado Energy Office (CEO); the Colorado Public Utilities Trial Staff (Staff); the Colorado Solar and Storage Association and the Solar Energy Industries Association (collectively COSSA); Grid Alternatives Colorado, Inc. (Grid); the City of Boulder; the City and County of Denver; Vote Solar; Energy Outreach Colorado; the Rocky Mountain Environmental Labor Coalition and the Colorado Building and Construction Trades Council, AFL-CIO; Western Resource Advocates; the Colorado Energy Consumers (CEC); and Climax Molybdenum Company.

² Pursuant to § 40-6-109(2), C.R.S., and Rule 4 CCR 723-1-1505(a) of the Commission's Rules of Practice and Procedure, the following parties timely filed exceptions to the Recommended Decision: Public Service; CEO; jointly by Vote Solar/Grid; and jointly by COSSA. Responses were timely filed by Public Service, COSSA, the OCC, and CEC.

S*RC RFP Bid Evaluation Criteria for the Company's 2020-21 RE Plan, with the exception of the following language:

[W]e respond to and clarify a point raised by Public Service's witness Klemm. Ms. Klemm testified that the Company reserves the right to change the CSG bid evaluation criteria if the Commission issues new rules that impact the Solar*Rewards Community program, or in the event of other unforeseen conditions. The Company commits to making an informational filing that contains the modified criteria at least 15 days prior to releasing the RFP. We are concerned that the Company could make unilateral changes to something as significant as its evaluation criteria without Commission approval. This RE Plan is approved based on the rules now in effect. We appreciate the Company's commitment to make an informational filing regarding modified criteria but clarify that the Company should make a more substantive filing and that the filing should be made sooner than 15 days prior to its RFP, allowing sufficient time for Commission review. The Company shall either file a request to amend its RE Plan based on the rule change or explain why such amendment is not appropriate.³

5. Through its Motion, Public Service states that it has engaged on this topic multiple times with Staff and a variety of stakeholders through the Company's ongoing quarterly Renewable Energy Stakeholder Meetings and more specific workgroup meetings held in preparation for the 2020 S*RC Request for Proposals (RFP). Public Service includes that this effort was designed to engage these parties with the aim to obtain the necessary alignment for bid evaluation criteria, and subsequently a successful RFP. In its Motion, the Company shows a timeline of events, including stakeholder meetings and key dates in the Community Solar Garden (CSG) Rulemaking in Proceeding No. 19R-0608E (CSG Rulemaking). As discussed in its Motion, the Company includes that "several issues involved in the CSG Rulemaking" stood to implicate the Company's 2020-21 RE Plan S*RC RFPs, and that the CSG Rulemaking did not conclude until August 28, 2020. The Company therefore includes that it convened multiple meetings with CSG stakeholders to re-evaluate its S*RC Bid evaluation criteria, particularly in light of the developments in the CSG Rulemaking.

³ Decision No. C20-0289, at ¶ 35

6. Based on its collaborative efforts with stakeholders, the Company believes it has achieved a set of RFP Bid Evaluation Criteria that meets multiple objectives, including assisting developers in siting in targeted areas, providing for creative bidding (with bonus points to be earned for greater low-income subscriber commitments, siting projects in environmentally challenged areas, and for community-based projects), while preserving a strong component of cost-effectiveness by retaining economics as the most predominant criteria with the greatest weight.

7. Public Service further explains that its new bid evaluation criteria will expand the evaluation criteria from six to eight categories, while providing a further breakdown in scoring, making the new evaluation criteria more robust and dynamic than the “As Approved” bid criteria the Commission authorized in the 2020-21 RE Plan. The Company states that it retained important bid criteria such as economic, developer experience, subscriber mix, and preparedness and added “interconnection viability” to award bidders who target projects within areas where the Company has worked to identify as being more ideal for CSG project interconnections.

8. The Company believes that these criteria will help drive subscribership by awarding points to bids targeting low-income, residential, and agricultural customers, consistent with the new CSG rules. Additionally, the bonus points are intended to award bids that not only demonstrate positive qualities in other categories, but can also demonstrate developer creativity with the objective of seeking to award projects that are more unique than more common CSG bid attributes.

9. The Company therefore requests that the Commission authorize, pursuant to Paragraph No. 35 of the April Decision, a limited amendment to its 2020-21 RE Plan for the sole purpose of approving the modified S*RC Bid Evaluation criteria. The Company requests that the

approval be granted as expeditiously as possible for the Colorado solar development community and ultimately the benefit of its consumers. Specifically, the Company requests a determination prior to October 16, 2020, such that the winning bidders can potentially take advantage of the 2020 Investment Tax Credit (ITC).

C. Findings and Conclusions

10. Consistent with the Commission's direction in Paragraph No. 35 of the April Decision, Public Service's Motion is provided more than 15 days before the proposed RFP. The Company engaged stakeholders, including considerations from the CSG Rulemaking decisions, and demonstrates good cause to modify the RFP criteria. The proposed updates allow Public Service to engage its "Bridge RES Plan" in a manner that can potentially take advantage of both the ITC, as well as updates responsive to the recent CSG Rulemaking focused on developing a more diverse subscriber mix. We find that the proposed updates may better enhance transparency and commend the Company for its timely engagement that enabled the proposed modification request in compliance with the April Decision.

11. We find good cause to waive remaining response time, pursuant to Rule 4 CCR 723-1-1308(c), and grant the unopposed Motion.

12. Public Service is authorized to modify its S*RC RFP Bid Evaluation Criteria approved in its 2020-21 RE Plan, as these limited modifications are reasonable, consistent with the Commission's newly approved CSG rules, and are unopposed. The Company shall authorize a limited amendment to its 2020-21 RE Plan to reflect these modified Bid Evaluation Criteria.

13. The Company shall issue its 2020 S*RC RFP with the modified criteria as requested on or before October 16, 2020.

II. ORDER**A. The Commission Orders That:**

1. The Motion to Modify the S*RC RFP Bid Evaluation Criteria (Motion) approved in its 2020-2021 Renewable Energy Compliance Plan (2020-21 RE Plan), filed by Public Service Company of Colorado (Public Service) on September 21, 2020, is granted, consistent with the discussion above.

2. Public Service is directed to authorize a limited amendment to its 2020-21 RE Plan to reflect these modified Bid Evaluation Criteria.

3. Response time to this Motion is waived.

4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
September 30, 2020.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

JOHN GAVAN

MEGAN M. GILMAN

Commissioners