

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 ADDRESSING APPLICATION
FOR REHEARING, REARGUMENT, OR
RECONSIDERATION OF DECISION NO. C20-0289**

Mailed Date: June 10, 2020

Adopted Date: June 3, 2020

II. BY THE COMMISSION

A. Statement

1. This Decision addresses the Application for Rehearing, Reargument, or Reconsideration (RRR) of Commission Decision No. C20-0289, filed on May 18, 2020, by Public Service Company of Colorado's (Public Service or the Company). Consistent with the discussion below, we grant, in part, the application for RRR. Consistent with the discussion below, the Company shall file a Petition for Waiver or Variance within 30 days of the mail date of this decision.

B. Discussion

2. As discussed in Decision No. C20-0289, Public Service initiated this proceeding by filing a Verified Application for Approval of its 2020-2021 Renewable Energy Compliance Plan (2020-21 RE Plan) and supporting Direct Testimony on June 28, 2019. Following the filing of answer and rebuttal testimony, associated discovery, and a three-day evidentiary hearing, the assigned Administrative Law Judge (ALJ) issued Recommended Decision No. R20-0099 (Recommended Decision) on February 14, 2020. The Recommended Decision recommended approving, with modification, the Plan. Exceptions seeking to reverse, modify, or amend the

Recommended Decision were filed by: Public Service; the Colorado Energy Office (CEO); jointly by Vote Solar and GRID Alternatives Colorado, Inc.; and jointly by Colorado Solar and Storage Association and the Solar Energy Industries Association.

3. By Decision No. C20-0289, issued April 28, 2019, the Commission addressed exceptions to the Recommended Decision.

4. On May 18, 2020, Public Service filed an application for RRR, requesting that the Commission reconsider one narrow aspect of its Decision as it relates to implementing the Decision's provisions concerning production meters. No other requests for RRR were filed.

5. Relevant to Public Service's request for RRR, through her Recommended Decision, the ALJ rejected Public Service's proposal to require production meters for On-Site Small customers and directed the Company to follow the requirement in Rule 4 CCR 723-3-3658(f)(X)(F) to use PVWatts for the Company's data needs for On-Site Small customers. In the Recommended Decision, the ALJ was unconvinced by Public Service regarding production meters. Specifically, she concluded that Public Service did not show good cause to waive the applicable rule requirements at this time. Further she notes that the ongoing rulemaking¹ is the more appropriate forum for these arguments since Public Service seems to take issue with the rule and did not support its arguments in this proceeding.²

6. In its Exceptions to the Recommended Decision, Public Service argued that, rather than changing the treatment of production meters through this proceeding, and then potentially changing the requirements and treatment of costs again after the new RES Rules become final, the Company proposed that a better course is to maintain the "status quo" in the Company's tariffs. Public Service claimed that the change, would be administratively and procedurally burdensome

¹ Proceeding No. 19R-0608E.

² Recommended Decision, at ¶¶ 97-98.

on the Company and its customers to carry out. However, the Company did not provide details or explanation on the alleged burdens.

7. In its Decision considering exceptions, the Commission agreed with the ALJ and COSSA/SEIA, again denying Public Service's request as unsupported in this proceeding. The Commission concluded as follows:

We deny Public Service's exceptions on this point. We agree that the Commission's existing rules require the use of PV Watts rather than a production meter to calculate the annual expected production for all incentivized on-site solar systems that are 10 kW or less. Rule 3658(f)(X)(F) instructs utilities to estimate the output of these smaller systems to determine the amount of a customer's REC payment. And Rule 3664(e) specifies that production meters may only be installed for systems that are 10 kW or less when the customer consents or requests that one be installed.³

8. Through its May 18, 2020, request for RRR, the Company states it is not challenging the Commission's decision to reject the Company's proposal to require production meters for all on-site solar systems that are 10 kW or less; rather, the Company requests the Commission allow it a reasonable amount of time to effectuate this transition, including transitioning production values for new system installations to PV Watts.

9. Public Service states that its current software systems, which are used to manage, track, and bill (and also used to calculate the applicable RESA fair share charge for all customers with on-site solar installations) are dependent on an electronic customer account that is generated when the production meter is installed and directly linked to the customer's production meter. Public Service argues it is currently unable to manage, track, or bill customers with on-site solar systems 10 kW or less unless they have a production meter installed. The Company includes that its current software is not capable of executing the transition away from production meters and to PV Watts without developing customized software and conducting testing to ensure accuracy.

³ Decision No. C20-0289, ¶46.

Among these software modifications, the Company states it must complete a number of substantive billing system changes before estimating and crediting can flow through to customers' bills.

10. The Company argues it does not know how long these changes will take to implement. It states that the timing of this transition is further complicated by current public health orders and guidelines in place due to the COVID-19 pandemic, which may delay the Company's ability to physically remove production meters installed since the Commission issued its Decision, and may also hinder third party installers' from reconfiguring and rewiring on-site systems, which could also trigger new permitting and electrical inspection.

11. Nevertheless, Public Service states it is "working diligently" to execute the Commission's decision. Public Service therefore requests that the Commission revise the decision to direct Public Service to file a petition within 45 days of the effective date of the decision. Public Service proposes the petition filing (1) request any waivers or variances necessary to implement the Commission's decision with respect to production meters; (2) set forth the Company's timing to fully implement the Commission's Decision with respect to the transition from production meters and to PV watts; and (3) set forth the facts supporting the Company's request.

12. Public Service reiterates that it remains concerned about doing away with production meters on residential households with PV systems at a time when the level of PV penetration is increasing. The Company argues the responsibility for accurate planning, and even more critically for maintaining reliability, as the implementation of DG solar and other DER technologies grows on the distribution system, primarily lies with the Company. The Commission's Decision suggests "that the rulemaking proceeding is a better forum to address the Company's concerns with the existing rules." Accordingly, the Company states it may develop further evidence in support of its concerns in the ongoing rulemaking.

C. Findings, and Conclusions

13. While we acknowledge that a narrow petition is appropriate to address the details of moving forward with the transition from production meters, we remain concerned that the Company did not fully explain the alleged difficulty in transitioning and customizing its software when it had the opportunity in this proceeding. In exceptions, Public Service noted questions surrounding the impact of this change on production meter costs and potential issues with customers who enroll between the effective date of this Commission and a potential change in Commission rules surrounding production meters. However, before the ALJ, through exceptions, and again in this narrowly construed RRR, Public Service does not elaborate on specific concerns or facts that demonstrate the alleged complications.

14. We grant, in part, the application for this limited RRR and will allow a petition filing; however, we provide the following direction to better ensure the proceeding remains focused and timely. We direct Public Service to file its petition for Waiver or Variance within 30 days of the Commission's decision on RRR. In addition, given the anticipated narrow focus of the proceeding and that parties to this proceeding are aware it will be filed, shortened notice and intervention periods may be appropriate. Therefore, the Company shall include with the petition, a request for 14 days' shortened notice and response time for the Commission's consideration.⁴

15. In addition, we expect the Company to provide support and clarity through its petition filing. In granting RRR and allowing Public Service to file a supported petition that sets forth the transition processes and timelines, the Company, as well as potential parties to the proceeding, are provided the opportunity to respond to pertinent questions Public Service raised, but did not answer, through this proceeding on this narrow subject of implementing the

⁴ The pleading should identify whether Public Service has conferred or otherwise communicated with Staff or other parties to this proceeding in preparing its Petition.

Commission's decision, and current rules, regarding production meters. In particular, we require that Public Service support its petition, including addressing with specificity the actual impact to current and future customers' bills who participate in the Solar*Rewards program as well as the net-metering only program. The Company should explain how it can take steps to ensure that reverting to Commission rules as compared to the settlement in 16AL-0048E in this transition does not change the economic impacts of net-metering only as compared to Solar*Rewards.

16. We therefore grant, in part, and with instruction the Company's RRR. In addition to the direction above, the petition shall include the following as requested by the Company: (1) any waivers or variances necessary to implement the Commission's decision with respect to production meters; (2) the Company's timing to fully implement the Commission's decision with respect to the transition from production meters and to PV watts; and (3) the facts supporting the Company's request.

III. ORDER

A. The Commission Orders That:

1. The Application for Rehearing, Reargument, or Reconsideration to Decision No. C19-0446 filed on May 18, 2020, by Public Service Company of Colorado is granted in part, consistent with the discussion above.

2. Public Service shall file a petition for Waiver or Variance in a new proceeding within 30 days of the mail date of this decision, consistent with the discussion above.

3. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
June 3, 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