PROCEEDING NO. 23AL-0188E

IN THE MATTER OF ADVICE LETTER NO. 1921 - ELECTRIC FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO REVISE ITS COLORADO P.U.C. NO. 8 - ELECTRIC TARIFF FILING TO IMPLEMENT INTERCONNECTION TARIFFS PURSUANT TO PARAGRAPH 3853(P) OF THE COMMISSION'S INTERCONNECTION RULES AND TO IMPLEMENT RELATED PERFORMANCE INCENTIVES IN ACCORDANCE WITH DECISION NO. C23-0143, TO BECOME EFFECTIVE JULY 31, 2023.

COMMISSION DECISION DENYING REQUESTS FOR RELIEF IN JOINT FILING OF JULY 2, 2024, AS MOOT

Issued Date: August 23, 2024 Adopted Date: July 31, 2024

I. BY THE COMMISSION

A. Statement

1. By Decision No. R24-0018 ("Recommended Decision"), issued on January 12, 2024, Administrative Law Judge ("ALJ") Aviv Segev approved the Settlement Agreement in this Proceeding resolving the disputed issues surrounding the tariffs of Public Service Company of Colorado ("Public Service" or the "Company") for the interconnection of distributed energy resources ("DERs") and other small generation facilities. The ALJ permanently suspended the tariff sheets submitted with Advice Letter No. 1921-Electric, and, in accordance with the Settlement Agreement, directed Public Service to file a Compliance Advice Letter on not less than two business days' notice with revised tariff sheets to implement the Commission's final decision.¹

¹ Decision No. R24-0018, issued January 12, 2024, in Proceeding No. 23AL-0188E, Ordering Paragraph 4.

- 2. On July 2, 2024, certain intervening parties in this Proceeding—namely the Colorado Solar and Storage Association with the Solar Energy Industries Association ("COSSA/SEIA"), the Colorado Energy Office ("CEO"), Trial Staff of the Colorado Public Utilities Commission ("Staff"), and the Colorado Office of the Utility Advocate ("UCA")—jointly filed a pleading ("Joint Pleading") in response to the absence of the Compliance Advice Letter as of that date. The Joint Pleading requests that the Commission treat the matter as an informal complaint or as a request for a declaratory order. If the Commission pursues either of those two paths within this proceeding to cause Public Service to file the Compliance Advice Letter, the Joint Pleading further requests that the Commission: (1) instruct Public Service to implement refunds to customers who have experienced interconnection delays after February 1, 2024,² that would have triggered a refund under the pro forma tariff sheets included in the Settlement Agreement had the Compliance Advice Letter been timely filed, and (2) order Public Service to report all DER interconnection timelines experienced by customers since February 1, 2024.
- 3. On July 16, 2024, Public Service filed in Proceeding No. 24AL-0310E the Compliance Advice Letter in accordance with the Recommended Decision. The Company's initial interconnection tariffs took effect on July 19, 2024.
- 4. By this Decision, the Commission denies the requests set forth in the Joint Pleading as moot, consistent with the discussion below.

B. Discussion

5. In the Joint Pleading, the intervening parties note that the Recommended Decision required Public Service to submit a Compliance Advice Letter to put into place DER

 $^{^2}$ The Recommended Decision became the decision of the Commission on February 1, 2024, by operation of \S 40-6-109, C.R.S.

interconnection tariffs consistent with the terms of the Settlement Agreement and that, as of the date of the pleading, or some five months after the Recommended Decision became the decision of the Commission, Public Service had not yet submitted that required tariff filing.

- 6. The Joint Pleading summarizes the background of this Proceeding, highlighting the fact that the Commission had to compel Public Service to submit the proposed DER interconnection tariffs after the Company failed to file them in accordance with the Commission's Interconnection Rules, 4 *Code of Colorado Regulations* 723-3-3850, *et seq.*³ In Proceeding No. 23M-0093E, the Commission further directed Public Service to include in its interconnection tariffs provisions that tie the Company's performance in completing interconnections to financial incentives and penalties to ensure the efficient interconnection of DERs as a matter of state energy policy. Public Service was specifically instructed to include provisions in its tariff for refunds for all or portions of the fees charged for interconnections in the event the Company fails to comply with the timelines set forth in the tariff.
- 7. In addition to filing the Compliance Advice Letter in Proceeding No. 24AL-0310E on July 16, 2024, Public Service filed in this Proceeding a "Preliminary Response" to the Joint Pleading on July 30, 2024. Public Service gives its account of the communications between the Company and the other parties to the Settlement Agreement with respect to Compliance Advice Letter. The Company asserts that it complied with the conferral requirements in the Settlement Agreement. Public Service also explains that its next Interconnection Report to be filed in Proceeding 22M-0032E will cover interconnection activity from January 1, 2024, through June 30, 2024, and that the report will also contain the Company's performance with respect to the terms of the Settlement Agreement as of April 11, 2024. Public Service thus asks that the

³ Decision No. C23-0143, issued February 28, 2023, Proceeding No. 23M-0093E.

Commission deny the Joint Pleading as moot. If the Commission does not deny the Joint Pleading, the Company requests the Commission address how it intends to procedurally address it and establish an appropriate process for the Company to provide a formal response.

C. Conclusions and Findings

- 8. We deny the requests in the Joint Pleading as moot, given that Public Service finally filed the Compliance Advice Letter on July 16, 2024, and has agreed to implement the terms of the Settlement Agreement with respect to its performance in completing interconnections and paying refunds to eligible interconnection customers from April 11, 2024, onward.
- 9. Nevertheless, Public Service's ostensible reluctance to promptly file the Compliance Advice Letter in accordance with the Settlement Agreement and the subsequent time and resources spent by the intervening parties to develop and file the Joint Pleading have heightened our frustration with the Company regarding DER interconnections specifically and the Company's commitment to the faithful implementation of agreed upon terms of settlement agreements generally.
- 10. The requirement in the Interconnection Rules for DER interconnection tariffs serves to benefit the utility in that standards, timelines, and expectations can be properly matched to its operations and to the corresponding just and reasonable rates approved by the Commission. Interconnecting customers can also be assured of timely and quality service as affirmed by the specific terms set forth in utility's tariff sheets on file at the Commission. The Settlement Agreement reached in this Proceeding thus represents an essential step in the furtherance of state energy policy § 40-2-135, C.R.S. Public Service's apparent hesitation to be held to interconnection timelines and standards as established through a tariff filing after reaching the Settlement Agreement in this Proceeding, after the significant Commission process summarized in Decision

No. C23-0143, and after the enactment of Senate Bill 23-016 is without justification and sours confidence in Public Service's commitment to fulfilling its obligations to its Colorado customers.

II. ORDER

A. The Commission Orders That:

- 1. The requests for relief set forth in the Informal Complaint or, in the alternative, the Petition for Declaratory Order filed by the Colorado Solar and Storage Association with the Solar Energy Industries Association, the Colorado Energy Office, Trial Staff of the Colorado Public Utilities Commission, and the Colorado Office of the Utility Advocate on July 2, 2024, are denied as moot, consistent with the discussion above.
- 2. The 20-day time 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 issues this Decision.

- 3. This Decision is effective on its Issued Date.
- B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING July 31, 2024.

(SEAL)

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THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

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Commissioners

Rebecca E. White, Director