BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0547E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2025-2029 DISTRIBUTION SYSTEM PLAN AND THE GRID MODERNIZATION ADJUSTMENT CLAUSE.

INTERIM COMMISSION DECISION DEEMING
APPLICATION COMPLETE; SETTING MATTER FOR
HEARING EN BANC; ESTABLISHING PARTIES;
GRANTING PRO HAC VICE REQUESTS; SETTING
RESPONSE TIME TO MOTION FOR EXTRAORDINARY
PROTECTION; SCHEDULING PREHEARING
CONFERENCE; SCHEDULING TECHNICAL
CONFERENCE; DIRECTING PARTIES TO CONFER
REGARDING PROCEDURAL SCHEDULE; AND
ADDRESSING INFORMATION TO BE PRESENTED IN
SUPPLEMENTAL DIRECT TESTIMONY

Issued Date: March 4, 2025 Adopted Date: February 26, 2025

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I. <u>BY THE COMMISSION</u>

A. Statement

- 1. By this Decision, the Commission deems the Application complete and sets for hearing before the Commission *en banc* the Application of Public Service Company of Colorado ("Public Service" or the "Company") for Approval of its 2025-2029 Distribution System Plan ("DSP") and Grid Modernization Adjustment Clause ("GMAC") ("Application"), filed on December 16, 2024.
- 2. The Commission grants the requests for permissive intervention filed by Colorado Energy Consumers Group ("CEC"); the City and County of Denver ("Denver"); the Interstate Renewable Energy Council ("IREC"); Pivot Energy Inc. ("Pivot"); the Eastern Metro Area Business Coalition (the "Eastern Metro Area Business Coalition"); the City and County of Boulder ("Boulder"); Holy Cross Electric Association Inc. ("Holy Cross"); Western Resource Advocates ("WRA"); Tesla, Inc. ("Tesla"); the Southwest Energy Efficiency Project and Natural Resource Defense Counsel, jointly ("SWEEP/NRDC"); Mission:data Coalition, Inc. ("Mission:data"); and filing jointly, the Colorado Solar and Storage Association ("COSSA") the Solar Energy Industries Association ("SEIA") the Coalition for Community Solar Access ("CCSA") and the Advanced Energy United ("AEU") (jointly the "Associations for Clean Energy," or "ACE"). The Commission acknowledges the notices of intervention of right filed by Trial Staff of the

Commission ("Staff"), the Office of the Utility Consumer Advocate ("UCA"), and the Colorado Energy Office ("CEO").

- 3. This Decision directs Public Service to file Supplemental Direct Testimony on certain issues as discussed below. The filing deadlines for the Supplemental Direct Testimony are March 7, 2025, and March 21, 2025, as discussed below.
- 4. The Commission also sets March 10, 2025, pursuant to Rule 4 Code of Colorado Regulations ("CCR") 723-1-1400(b) of the Commission's *Rules of Practice and Procedure*, as the deadline for responses to the Omnibus Motion for Extraordinary Protection of Highly Confidential Information and for a Partial Variance of Rules 3528(c) and 3537(b)(VI) ("Omnibus Motion") filed by Public Service on December 16, 2024 concurrent with its Application.
- This Decision also grants the Out of State Counsel's Verified Motions Requesting
 Pro Hac Vice Admission filed by Seth Goldman and Sky Stanfield.
- 6. Also by this Decision, the Commission solicits feedback from the parties regarding the potential consolidation of this Proceeding and the Company's Aggregated Virtual Power Plant ("AVPP" or "VPP") Application, filed in Proceeding No. 25A-0061E. The Commission directs the parties to both the DSP and VPP to confer on a procedural schedule, consistent with the discussion below. On or before March 14, 2025, Public Service shall file a proposed consolidated procedural schedule in both proceedings. The proposed procedural schedule should also address discovery processes.
- 7. This Decision schedules a prehearing conference for March 20, 2025, consistent with the discussion below. We also schedule a technical conference, on March 13, 2025, at which Public Service shall be prepared to address certain models and forecasts the Company has put forth

both in its 2024 Just Transition Solicitation ("JTS") (Proceeding No. 24A-0442E) as well as in this Proceeding.

B. Background

- 8. Public Service filed its Application pursuant to § 40-2-132, C.R.S., and Rules 3529 to 3541 of the Commission's Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* ("CCR") 731-3, for approval of the Company's 2025-2029 DSP as well as its proposed GMAC rider.
- 9. The Commission issued a Notice of Application filed on December 18, 2024. The Notice set a 30-day intervention period that ran through January 17, 2025.
- 10. On December 31, 2024, CEC filed Unopposed Motion to Permissively Intervene, and the Commission received a Notice of Intervention of Right from CEO.
- 11. On January 3, 2025, the Commission received a Notice of Intervention of Right from Staff.
- 12. On January 6, 2025, the Commission received a Notice of Intervention of Right and Request for a Hearing from UCA.
- 13. On January 13, 2025, Denver filed an Unopposed Motion to Permissively Intervene.
- 14. On January 16, 2025, IREC, Associations for Clean Energy, Pivot Energy, and Boulder each filed a Motion to Intervene. Also on January 16, 2025, the Commission received motions to appear *pro hac vice* on behalf of IREC from each Seth Goldman and Sky Stanfield.
- 15. On January 17, 2025, Tesa, Mission:data, SWEEP/NRDC, Holy Cross, Eastern Metro Area Business Coalition, and WRA each filed a Motion for Permissive Intervention.

- 16. Pursuant to § 40-6-109.5, C.R.S., and 4 CCR 723-1-1303, this Application would have automatically deemed complete on February 1, 2025. Also pursuant to Commission Rule 3528(b), 4 CCR 723-3, within 30 days of the filing of the Application, the Commission shall issue a decision addressing whether the contents of the DSP meet Commission standards based on the information provided by the utility set forth in paragraph 3528(d). By Decision No. C25-0032, the Commission tolled the determination of completeness pursuant to Commission Rule 1303 and Commission Rule 3528(b).
- 17. By Decision No. C25-0057, the Commission found that more information was necessary before deeming the Application complete, and required Public Service to file responsive information by February 14, 2025.
- 18. Public Service timely filed the requested information on February 14, 2025, as Hearing Exhibit 109 and associated attachments.
- 19. On January 31, 2025, pursuant to Senate Bill ("SB") 24-218, Public Service filed an Application for Approval of an Aggregated Virtual Power Plant in Proceeding No. 25A-0061E.
- 20. By Decision No. C25-0085-I, issued in Proceeding No. 25A-0061E, the Commission noted the Company's AVPP Application may have overlapping factors and interrelated impacts with its DSP proceeding and requested comment from potential parties to the AVPP proceeding regarding the potential advantages and disadvantages to combining the VPP and DSP proceedings, or other logistical suggestions they may have.

C. Discussion, Findings, and Conclusions

1. Completeness

21. Considering the information filed by Public Service in response to Decision No. C25-0057, the Commission now deems the Application complete for purposes of § 40-6-109.5,

C.R.S. and Commission Rule 1303. For purposes of calculating the 250-day timeframe pursuant to § 40-6-109.5, C.R.S the Commission deems this Application complete on February 26, 2025 – the date on which the Commission addressed completeness at the Commissioners' Weekly Meeting ("CWM").

22. Pursuant to Commission Rule 3528(b), 4 CCR 723-3, within 30 days of the filing of the Application, the Commission shall issue a decision addressing whether the contents of the DSP meet Commission standards based on the information provided by the utility set forth in paragraph 3528(d). We find good cause to deem the Application complete pursuant to Commission Rule 3528(b), 4 CCR 723-3 as well. This rule is not applicable to the instant Application.

2. En Banc Hearing

23. The Commission finds good cause to set the Application for hearing before the Commission *en banc*. The Application raises significant policy questions, as well as questions of statutory interpretation, that warrant an evidentiary hearing before the Commissioners.

3. Establishment of Parties

- 24. Staff, UCA, and CEO filed timely notices of intervention by right. Pursuant to Rule 4 CCR 723-1-1401(b) of the Commission's Rules of Practice and Procedure, no decision is required in response to appropriately filed notices of intervention by right. We acknowledge the notices of intervention of right, and that Staff, CEO, and UCA are parties to this Proceeding.
- 25. The Commission received timely motions for permissive intervention in this Proceeding from CEC; Denver; IREC; Pivot; the Eastern Metro Area Business Coalition; Boulder; Holy Cross; WRA; Tesla; SWEEP/NRDC; Mission:data; and the Associations for Clean Energy.
- 26. CEC is an unincorporated association comprised of energy consumers, all of which operate facilities in Public Service's service territory. CEC asserts a direct interest in this

Proceeding because if approved, it would have a direct and substantial impact on CEC members' electric rates. CEC states its participation in this case will likely focus on the overall magnitude and scope of the DSP and whether the proposed plan provides for a reliable and affordable path forward to comply with SB 24-218; the structure and appropriateness of the GMAC; the reliability of Public Service's forecasts and assumptions; the inputs and accuracy of Public Service's revenue requirement calculations and long-term rate analysis; Public Service's proposed performance screens along with the retention of existing Performance Incentive Mechanisms ("PIMs") and such other components of the plan that affect the interests of CEC's members.

- 27. IREC is a 501(c)(3) organization whose mission is to "build the foundation for rapid adoption of clean energy and energy efficiency to benefit people, the economy, and our planet. IREC works towards a 100 percent clean energy future that is reliable, resilient, and equitable through independent, fact-based policy leadership, quality workforce development, and consumer empowerment." IREC's regulatory program work "to increase the adoption of policies and regulatory reforms that expand access to and streamline interconnection and energization of new clean energy resources." IREC states it has a tangible interest in ensuring that customers can benefit from the Company's DSP investments by safely and efficiently connecting distributed energy resources ("DER") to the grid. IREC further states it has particular interest in the Company's hosting capacity analysis and in flexible interconnection.
- 28. Denver is a municipality that comprises of approximately 20 percent of Public Service's electric customers. Denver states it has enacted a number of local decarbonization and electrification policies and that its ability to successfully implement these policies and achieve its goals are directly contingent on Public Service's electric distribution infrastructure

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accommodating additional load growth. Denver also states that a number of the proposed investments in this Proceeding will occur in Denver.

- 29. Tesla states it currently has 7 service and store locations, 45 Supercharger direct current fast charging ("DCFC") stations with a total of 444 Superchargers, and approximately 259 Level 2 Tesla Wall Connectors as part of its Destination Charging network in Colorado. It states that is has a pecuniary interest in the outcome of the Proceeding because Public Service's grid build out will have substantial impact in Tesla's ability to provide affordable charging access to its customers.
- 30. SWEEP and NRDC are non-profit organizations with interests in energy efficiency, environmental protection, beneficial electrification, demand response, and transportation electrification. SWEEP and NRDC state they have tangible interests in ensuring that Public Service's 2025–2029 DSP is consistent with Senate Bill 24-218 and its requirement that the Company upgrade its distribution system as necessary to support Colorado's transportation electrification and building decarbonization goals. The organizations also state they have tangible interests in ensuring that Public Service successfully implements non-wires alternatives and a reasonable and well-designed Grid Modernization Adjustment Clause to recover DSP costs.
- 31. Mission:data Coalition moves for intervention and also requests the Commission order the Company to file supplemental testimony in compliance with Commission Decision No. C24-0815 in Proceeding No. 23A-0417E. Mission:data is a not-for-profit social welfare organization with approximately 25 members that are software and energy management companies

¹ Mission:data asserts that the Company violated Decision No. C24-0815 in Proceeding No. 23A-0471E because it did not include any discussion of "direct data upload" ("DDU") that it was supposed to per that decision, and requests the Commission order the Company to comply with additional testimony in this Proceeding. This portion of Mission:data's motion was mooted by Commission Decision No. C25-0057 in which the Commission requested similar information pursuant to Commission Rule 1303.

that offer "innovative, consumer-facing products and services." They use energy data made available by advanced meters to "deliver compelling energy management services" and products that "allow customers to save money on their utility bills." Mission:data has previously intervened at the Commission in the Proceeding No. 23A-0471E in which the Commission ordered the Company to provide "information related to [the Company's] data access and sharing practices" in the DSP at issue in this Proceeding.

- 32. Holy Cross is a Colorado electric cooperative which receives transmission service from Public Service as part of the "TIE Agreement." Due to this agreement, Holy Cross asserts that the implementation of the DSP could result in actions that by Public Service that affect its load ratio share. Holy Cross also states that in certain areas the Holy Cross distribution system is connected to the Public Service distribution system; Holy Cross also uses certain Public Service substations.
- 33. WRA is a nonprofit organization with an interest in "advocating for investments and initiatives that support a rapid and measurable reduction in emissions, while ensuring that the electricity system remains reliable during the clean energy transition." WRA states it has an interest in advocating for investments and initiatives that support a rapid and measurable reduction in emissions, while ensuring that the electricity system remains reliable during the clean energy transition. WRA argues that given that the Company's investments in the distribution system are deeply intertwined with decarbonization efforts, many elements of this Proceeding can impact future greenhouse gas emissions.
- 34. Eastern Metro Area Business Coalition is a consortium of seventeen developers and businesses with development interests in an area of Public Service's territory bounded by Airport Blvd./Pena Blvd. on the west, 72nd Avenue on the north, Manila Road on the east, and

Yale Avenue to the south. The members of the Business Coalition state they will be substantially affected by the potential development of Public Service's electric distribution system and its ability to adequately serve the area of proposed development.

- 35. Pivot is a renewable energy provider and independent power producer that develops, finances, builds, owns, and operates distribution-interconnected solar and energy storage projects. Pivot is headquartered in Denver, Colorado and is one of the largest developers of distributed generation projects in Colorado. Through existing Public Service distributed generation programs alone, Pivot has developed over 70 megawatts of operational projects, is currently constructing or nearing mobilization on 86 megawatts, and has more than 300 megawatts in development. Pivot states it has a pecuniary interest in the Proceeding as an active developer of distributed solar and storage generation in Colorado and also that notes that Public Service states in its last DSP that additional participation from developers would help the DSP process.
- 36. Boulder is a municipality that "is a large customer of Public Service." Boulder notes that its citizens are also Public Service electric customers, and it notes it has entered into an "Energy Partnership Agreement" with Public Service that "provides a framework for collaborative distribution-level planning for local projects and initiatives that support a shared vision towards energy-related emission reductions by increasing accessibility to local renewable energy."
- 37. The Associations for Clean Energy are a group of trade associations that represent solar and other clean energy businesses that develop, own, and install various DER services and products. ACE states the Application will have direct impacts on the business interests of its member companies because, if approved, the Application will increase the capital operations and maintenance investments the Company makes in the distribution system which would directly

impact the ability of ACE member companies and their customers to interconnect new DER onto the Company's system.

38. Rule 1401(c) of the Commission's Rules of Practice and Procedure, 4 CCR 723-1, requires persons seeking permissive intervention to show the following, in pertinent part:

A motion to permissively intervene shall state the specific grounds relied upon for intervention; the claim or defense within the scope of the Commission's jurisdiction on which the requested intervention is based, including the specific interest that justifies intervention; and why the filer is positioned to represent that interest in a manner that will advance the just resolution of the proceeding. The motion must demonstrate that the subject proceeding may substantially affect the pecuniary or tangible interests of the movant (or those it may represent) and that the movant's interests would not otherwise be adequately represented.

- 39. Pursuant to Rule 1500, 4 CCR 723-1, the person seeking leave to intervene by permission bears the burden of proof with respect to the relief sought.
- 40. Further, Rule 1401(c), 4 CCR 723-1, requires that a movant who is a "residential consumer, agricultural consumer, or small business consumer" must discuss in the motion whether the distinct interest of the consumer is either not adequately represented by the UCA or inconsistent with other classes of consumers represented by the UCA. As set forth in §§ 40-6.5-104(1) and (2), C.R.S., the UCA has a statutory mandate to represent the interest of residential ratepayers.
- 41. We find that each entity seeking permissive intervention has sufficiently demonstrated that this Proceeding may substantially affect its pecuniary or tangible interests, as is required by Rule 1401(c). Each has also demonstrated that its interests would not otherwise be adequately represented. Therefore, we grant the requests for permissive intervention.
- 42. The parties to this Proceeding are: Public Service, Staff, UCA, CEO, CEC, Denver, IREC, Pivot, the Eastern Metro Area Business Coalition, Boulder, Holy Cross, WRA, Tesla, SWEEP/NRDC, Mission:data, and ACE.

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4. Requests for *Pro Hac Vice* Appearance

- 43. An attorney who is not licensed to practice law in Colorado must be granted permission to appear *pro hac vice* in a Commission proceeding. Rule 1201(a), 4 CCR 723-1, governs the admission of out-of-state attorneys. Rule 1201(a) requires compliance with Colorado Rule of Civil Procedure ("CRCP") 205.4, which itself expressly incorporates CRCP 205.3. As pertinent here, CRCP 205.3(2)(a) details what an out-of-state attorney must do to be permitted to appear *pro hac vice* and includes these requirements: (1) file a verified motion with the administrative agency requesting permission to appear; (2) designate an associated attorney who is admitted and licensed to practice law in Colorado; (3) file a copy of the verified motion with the Clerk of the Supreme Court Office of Attorney Regulation at the same time the verified motion is filed with the administrative agency; (4) pay the required fee to the Clerk of Supreme Court collected by the Office of Attorney Regulation; and (5) obtain permission from the administrative agency for such appearance
- 44. On January 16, 2025, Seth Goldman and Sky Stanfield each filed a motion to appear *pro hac vice* on behalf of IREC. Both state they are in good standing in the state of California and have not previously sought *pro hac vice* admission in Colorado. Mr. Michael Hiatt, a member of the Colorado Bar, signed the motions and will be present and participate in a substantial manner throughout the Proceeding. Both motions state the attorneys have filed a copy of the motion with the Clerk of the Colorado Supreme Court and have paid the required fee.
- 45. Seth Goldman and Sky Stanfield have satisfied the requirements of CRCP 205.4. Therefore, we grant Mr. Goldman and Mr. Stanfield's requests to appear *pro hac vice*.²

² Proof of *Pro Hac Vice* Registration for Seth Goldman and Sky Stanfield was filed on February 3, 2024, in this Proceeding.

5. Setting Response Deadline to Public Service's Omnibus Motion

- 46. Concurrent with its Application, Public Service filed an Omnibus Motion which contained a request for extraordinary protection of highly confidential information and a request for a partial variance from Commission Rules 3528(c) and 3537(b)(VI).
- 47. Pursuant to § 40-2-132.5(5)(d)(III), C.R.S., the Company's DSP is required to include "detailed mapping of distribution hosting capacity with appropriate safeguards to protect critical infrastructure, as determined by the Commission." The Company asserts that the information is proprietary in nature and highly sensitive, and public disclosure would present security risks to the Company and public at large. Public Service seeks to limit disclosure of the Highly Confidential Mapping Information to only those parties in this Proceeding that have a demonstrated "need to know" regarding the specific physical locations and technical details about electric system infrastructure. Those parties include the Commission, State agencies, Colorado municipalities/counties, environmental advocates who routinely practice before the Commission, and authorized representatives of trade associations. Other categories of potential intervenors do not have a demonstrated "need to know" for this specific Highly Confidential Mapping Information according to Public Service. The Company proposes that secure access will be provided through an ESRI ArcGIS Online interface if the authorized party has or obtains that platform, or alternatively, Company-facilitated viewing. The Company states that it has a responsibility at both the state and federal level to safeguard information regarding critical infrastructure, and physical and cybersecurity attacks on the Company's electric facilities could cause widespread disruption to the electric grid.
- 48. We set the response deadline to Public Service's Omnibus Motion to March 10, 2025.

49. We also request that Public Service update its Omnibus Motion or otherwise make the Commission aware no later than March 10, 2025, of what parties it contends should be allowed to have access to the claimed highly confidential information in the Omnibus Motion now that the parties to this Proceeding are established.

6. Consensus Procedural Schedule and Consolidation Considerations

a. VPP and DSP Considerations

- 50. In Decision No. C25-0085-I, the Commission solicited feedback from Public Service and potential intervenors in the AVPP Application (Proceeding No. 25A-0061E) regarding their perspective on the potential consolidation of that Proceeding and the Company's DSP Application.
- 51. In Proceeding No. 25A-0061E, the Commission received a range of responses. Public Service stated it does not oppose consolidation provided that doing so does not delay or otherwise extend the time for resolution of the plan application. Staff took no position on consolidation, and several AVPP parties, including CEO, WRA, Boulder and CEC which are also DSP parties, support consolidation. CEO stated that consolidating the proceedings will make it easier for parties and the Commission to compare the costs and benefits of aggregated VPPs to distribution system investments and that, because both proceedings depend on similar inputs and information, combining the proceedings will increase efficiency and reduce duplication in discovery questions, testimony, and hearing topics. WRA noted that if the Commission consolidates the proceedings, it should take procedural steps to ensure that parties with a discrete interest in the AVPP Application are not prejudiced by the breadth of all issues present in the DSP Application.

- 52. UCA, COSSA/SEIA/CCSA, and AEU, each being parties to the DSP Proceeding, oppose consolidation of the VPP and DSP applications. UCA stated it has concerns that the VPP, which is a smaller proceeding that contains discrete issues related to developing the aggregation of distributed resources which are not present in the DSP, will be overshadowed in the larger DSP Application. COSSA/SEIA/CCSA (part of the Associations for Clean Energy intervenor in this Proceeding) stated it does not believe combining the proceedings will be efficient because the AVPP is a case of first impression that requires the resolution of highly technical questions about program structure, eligibility, payments and terms and conditions. COSSA/SEIA/CCSA explained that, similarly to UCA, it is concerned that important programmatic details will get lost in the administrative record of the larger DSP. AEU (part of the Associations for Clean Energy intervenor in this Proceeding) emphasized the need for VPP implementation to move quickly and argues that the technical nature of the AVPP, combined with the numerous issues and decision points in the DSP, may slow down settlement or resolution of the AVPP. If the Commission does consolidate the AVPP and the DSP, AEU asserts the Commission should put in place procedural safeguards to ensure that consideration of the AVPP is not unduly complicated or delayed. To that end, AEU suggests the Commission consider the AVPP on a separate "track" from the rest of the DSP issues to allow for separate settlement discussions. It also requests the Commission provide sufficient hearing days and number of pages in Statements of Position for parties to fully address issues arising from the VPP Application, in addition to the DSP.
- 53. After reviewing the contents of each Application and the AVPP intervenors' positions, we believe there is likely good cause to combine Public Service's DSP Application and its AVPP Application. Consolidation is within the Commission's discretion pursuant to Commission Rule 1402. The common issues in the two dockets are substantially similar and

consolidation will not prejudice parties in the two proceedings. We note that the key attribute of VPP activities is to potentially delay or mitigate infrastructure investment, and that if the Company's DSP is approved separately, there could be modest need for, or value in, significant VPP programs. Further, we believe consolidation would result in significant litigation and administrative efficiencies and will conserve the resources of the Commission and parties to the proceedings. Consolidation will also eliminate both confusion about the proceeding in which a particular issue will be addressed and the possibility of inconsistent decisions. However, we also acknowledge that parties to the DSP have not yet had a chance to weigh in, and that AVPP parties raised legitimate concerns on the merits of consolidation. To that end, we provide an additional opportunity to provide comments on consolidation no later than March 14, 2025, in either proceeding. We have made the same request in both the DSP and VPP proceedings.

- 54. While we do not formally consolidate the proceedings in this decision, we direct Public Service to confer with the intervening parties to each proceeding to develop and propose a consensus procedural schedule including discovery procedures, so that the Commission can consider if consolidation is appropriate at a future date. Public Service shall file a motion to approve a proposed procedural schedule no later than March 14, 2025, in each proceeding. We provide the following guidance for the parties in the development of a consensus procedural schedule:
 - Include an evidentiary hearing that concludes no later than September 5, 2025.
 - Include a deadline for filing any settlement agreement to ensure the Commission receives the terms of the settlement agreement and any supporting testimony no less than two weeks prior to the start of the evidentiary hearing.
 - Allow for the ability of the Commission to hold a consolidated hearing, if ordered.
 - Provide any other procedural suggestions to ensure an efficient consolidated process.

- 55. Any additional comments on the merits of consolidation shall also be provided to the Commission no later than March 14, 2025.
- 56. It is also appropriate to hold a remote prehearing conference in this proceeding. Accordingly, a remote prehearing conference shall be scheduled for March 20, 2025, at 9:00 am. The remote prehearing conference will be conducted over the Zoom videoconferencing platform.

b. DDG Considerations

- 57. Pivot (a party to both the VPP and DSP), COSSA/SEIA/CCSA, and AEU suggest, either in addition to or instead of, DSP/VPP consolidation, the Commission consider the consolidation of VPP and the Company's requirement to procure Dispatchable Distributed Generation ("DDG") resources per statute SB 24-207. Like Pivot, COSSA/SEIA/CCSA suggests the Commission consolidate the Company's DDG resources from the JTS and the distribution system pro rata interconnection cost-sharing tariff with the DSP. To that end, these parties filed a Motion to Consolidate along with their Protest in Proceeding No. 25AL-0059E on February 20, 2025.³ AEU also supports consolidating the DDG resources from the JTS and the pro rata interconnection cost-sharing tariff into the DSP. Pivot explains that it is its understanding that Public Service intends to implement the DDG program through its forthcoming 2026-27 Renewable Energy Plan ("RE Plan") Application expected at the end of March. It suggests the DSP is a more appropriate forum to review the DDG requirement because these programs do not fit neatly into the customer focused RE Plan and because cost recovery will be via the GMAC rider to be evaluated here in the DSP proceeding.
- 58. Public Service is required by SB 24-207 to procure 50 MW of dispatchable distributed generation on or before June 1, 2026, and another 50 MW of DDG on or after

³ This motion was addressed in Proceeding No. 25AL-0059E at the February 26, 2025 CWM.

January 1, 2027, but before June 1, 2027. The Company has not yet asked for approval to acquire any DDG resources in any currently open proceeding before the Commission. As noted above, several intervenors in the VPP indicate that aligning the DDG acquisition requirements from SB 24-207 with the ongoing DSP proceeding would add value and administrative efficiency. To that end, we seek comments from the DSP and VPP parties on whether there are advantages or disadvantages to alignment of the DDG procurement with the DSP (or the DSP/VPP if eventually consolidated), or other open proceedings before the Commission, including the JTS. What are the advantages or disadvantages of soliciting and evaluating DDG/VPP resources solely through the DSP, and how would this interrelate, if at all, with the JTS for DDG/VPP resource quantity? Or, alternatively, could the DSP and JTS rely on a single solicitation to procure DDG/VPP resources whereby that solicitation reasonably meets the requirements of SB 24-207?

- 59. Second, the Commission is required to perform certain statutory directives pursuant to § 40-2-103.5, C.R.S., including (1) determining the procedures for a utility to acquire DDG; (2) establishing a methodology to ascribe value to dispatchable distributed generation located in specific areas of the electric grid in order to direct the development of dispatchable distributed generation resources in optimal locations; and (3) adopt any other program- or project-specific requirements the Commission deems necessary to facilitate the acquisition of dispatchable distributed generation. Do the parties see value in expanding the DSP to include analysis of any or all of these Commission duties?
- 60. Any additional comments on the merits of consolidation of DDG related issues shall also be provided to the Commission no later than March 14, 2025.

7. **Joint Technical Conference**

- 61. In Proceeding No. 24A-0442E ("JTS Proceeding"), the Commission scheduled a technical conference for March 13, 2025, and acknowledged there seems to be parallel forecasting efforts in the JTS Proceeding and DSP in Decision No. C25-0097-I. We agree that the technical conference would be aided by reviewing together the critical forecasts and models underlying filings made in the Commission's records through both the JTS and DSP Proceedings. We therefore schedule the technical conference in this Proceeding as well.
- 62. After the technical conference, the Company and intervenors will have the opportunity in both proceedings to potentially build on areas of discussion by further developing their positions via discovery, testimony, and at the evidentiary hearings.
- 63. Public Service shall be prepared to answer clarifying questions from the Commissioners at the technical conference. Intervenors and the public will be allowed to observe, subject to appropriate confidentiality protections.⁴ The technical conference will be conducted using the Zoom platform, and Commission staff will distribute the link and meeting ID, or access code, to attend the technical conference to the parties by email approximately one week prior to the technical conference. Intervenors are prohibited from sharing the Zoom access information.

⁴ While we are hopeful that most of the technical conference can be public and webcast, it appears that some of the relevant information has been listed as confidential. If a confidential session is anticipated, we anticipate the Company shall confer with any necessary parties and provide a list of participants permitted in sessions regarding particular modeling discussions. The Commission anticipates webcasting the technical conference publicly, unless there are specific discussions needing confidential session where intervenors can be included subject to any necessary non-disclosure agreements.

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64. While the agenda for the technical conference may be further refined closer to the March 13, 2025, date, at this time we are cognizant of several topics that Public Service must be prepared to address in addition to those outlined in Decision No. C25-0097-I, in the JTS Proceeding.

- Public Service shall make available for questioning the Company officials, including Mr. Mino, who are able to discuss the LoadSEER tool and demonstrate how it generated the relevant forecasts in the DSP Proceeding.⁵ This could include how the various component loads are built into one forecast that is then disaggregated into geospatial modeling for purposes of identifying necessary distribution investments. For the LoadSEER platform and all models at the technical conference, the Company must be prepared to demonstrate the models in real time as opposed to simply describing the models and their outputs.
- The Company should also be prepared to discuss the residential rate impact forecast filed in this Proceeding on February 14, 2025, and updated by March 7, 2025, per question (a), below.
- The Company shall be prepared to verbally discuss the remaining supplemental direct testimony ordered in this Decision.

8. Supplemental Direct Testimony

- 65. The Commission appreciates the Company's efforts to comply with Decision No. C25-0057 and its filing of additional information on February 14, 2025, but given the scale of this Application in terms of anticipated costs and importance to system reliability and potential greenhouse gas emission reductions, we conclude that it is necessary for Public Service to augment the record in this Proceeding with additional information in numerous areas. We therefore direct Public Service to file Supplemental Direct Testimony addressing the following requests and/or questions:
 - a) In Proceeding No. 24A-0442E, in Decision No. C24-0956-I, at paragraphs 5-8, the Commission ordered the Company to model a load growth scenario significantly below the Base Case and Low load growth scenarios the Company presented in its direct testimony in the JTS. Consistent with the parameters

⁵ Hr. Ex. 105, Mino Direct, pp. 12-15 (discussing the Company's use of the LoadSEER platform).

ordered in those paragraphs, please run a revised scenario of the Company's long-term residential and TCA-D rate forecast models (submitted via Hearing Exhibit 109, Att. 1) assuming this "lower low" scenario. As part of this revised rate demonstration, the Company shall separate out behind-the-meter solar generation in the rate impact model and back these sales out of the denominator of the rate calculation, as these are not revenue generating sales.

- b) Please provide an 8760 matrix for total residential, commercial, and industrial sales in 2024, as well as residential, commercial, and industrial 8760 forecasts in 2030, 2035, 2040, and 2045. We acknowledge the Company's response in Hearing Exhibit 109 that it cannot provide 8760s by customer class directly but ask the Company to provide an estimate.
- c) The Commission is interested in expanding the analysis of load shapes presented in this Proceeding and their impact on necessary distribution system investment. Accordingly:
 - i. Please provide the base data to, and explain the load shapes represented in, Hearing Exhibit 105, Att. DCM-9 ("Distribution System Forecasting Technical Appendix"), Figures 15, 16, 17, 18, 21, 22, 23. Please explain how the information presented in these figures is incorporated in the Company's energy and demand forecasts.
 - ii. Please develop a new residential 8760 load forecast for 2030, 2035, 2040, 2045 with the following modifications:
 - a. Currently, the Company assumes 45-85 percent of residential electric vehicle ("EVs") (depending on the year) charge primarily in the evening (6 p.m.-12 a.m.), contributing to a high evening peak around 10 p.m. on the days of highest demand. Please provide an alternative residential 8760 load forecast in which the Company assumes that in all forecast years, 90 percent of EV charging follows the "Managed (Future) load curve" shown in Figure 30 of Hearing Exhibit 105, Att. DCM-9.
 - b. Please also model the alternative load shape scenario to flatten out the water heating/beneficial electrification demand, assuming the Company can effectively control when water heaters and other loads charge on peak demand days. Please develop a per unit load shape that optimizes residential water heater usage to flatten the peaks each day in all forecast years and incorporate it into the new residential 8760 load forecast.
 - iii. Please re-run the distribution capacity expansion model using the flattened new residential 8760 load forecast discussed above. Please identify the individual projects in each planning region identified in Mr. Mino's testimony (Hearing Exhibit 105, pages 45-88), that are projected to be no longer needed under this scenario.

- iv. Please present as a revised narrative similar to Mr. Mino's testimony (Hearing Exhibit 105, pages 45-88) to explain the impact of this analysis and the Company's interpretation of this data.
- d) Please refer to Ms. McDermott's testimony (Hearing Exhibit 104, at page 27) and in the DSP Plan (Hearing Exhibit 103, Att. ZDP-1, at page 30), where Public Service is proposing to base its distribution investment on a goal of limiting the loading of individual feeders and other equipment to 75 percent of the applicable ratings.
 - i. Is the Company aware of other utilities in the United States or internationally that have undertaken a similar approach?
 - ii. Please redo the capital spending forecast contained in this Proceeding to assume this 75 percent constraint is relaxed under two additional scenarios, one where the constraint was raised to 85 percent and a second where it was 95 percent of applicable equipment loadings.
 - iii. Please conduct the same two runs (85 percent and 95 percent) with the flattened new residential 8760 load forecast as discussed above.
 - iv. Please also identify the individual projects in each planning region identified in Mr. Mino's testimony (Hearing Exhibit 105, pages 45-88), that are no longer needed under these scenarios.
 - v. Please present as a revised narrative similar to Mr. Mino's testimony (Hearing Exhibit 105, pages 45-88).
 - vi. Please explain whether the 75 percent limitation on the distribution includes managed demand and whether the Company plans to utilize its demand response/VPP programs in order to limit distribution system investment requirements.
- e) The Company received authority in 2017 to implement Advanced Meter Infrastructure ("AMI") throughout its service territory at an anticipated cost of \$612 million. Please provide testimony on how AMI data is being used in the distribution planning process. Do the Company's Advanced Distribution Management System ("ADMS") systems communicate directly with and incorporate the AMI data in real time? Please explain whether the AMI data is or will be used to evaluate customer or technology load shapes and/or the targeting of customers for participation in VPP/load management programs.
- f) Does the Company integrate its LoadSEER and Encompass modeling? Do those models communicate with one another? Can the LoadSEER model be utilized to identify strategic distribution investment that could also defer or negate investment on the bulk transmission or generation system designed to meet coincident peak?

⁶ See Decision No. C16-0556, issued on July 25, 2017, in Proceeding No. 16A-0588E, approving Settlement Agreement with AMI-related terms and stating that the estimated cost of the initiative is \$612 million (para. 16).

- g) Please explain all differences in the assumptions regarding EV, beneficial electrification ("BE") or other technology adoption, usage patterns, efficiency levels and cutoff temperatures underpinning the forecast in hearing exhibit 105 (Mino Direct) and Hearing Exhibit 106 (Goodenough Direct) in the JTS Proceeding.
- h) The Commission notes that a recently completed United States Department of Energy "heat pump challenge" has led to significant efficiency improvements in cold climate air-source heat pumps ("ASHP"). Please indicate:
 - If the Company has considered related efficiency improvements in ASHP technology in its forecast of loads and necessary distribution investments;
 - ii. The assumed standard and cold climate heat pump models, and their relevant respective efficiency metrics, embedded in the Company's non-coincident peak load forecasts;
 - iii. Please specify the cutoff temperatures in heat pump technologies generally assumed over the life of the forecast; and
 - iv. Please address the impacts to forecasted distribution system investments if 10 percent of new heat pump installations require no backup (gas or electric resistance).
 - v. Please indicate if the Company assumes customers adopt different heat pump technologies, backup systems, or cutoff temperatures across different climate zones or planning districts.
- i) Given the change in Presidential administrations, please comment on the appropriateness of assumed adoption rates for heat pumps, EVs and other technologies. Please explain potential changes to the Company's forecast assuming the Inflation Reduction Act is terminated in 2025.
- j) Given the DERMS Implementation Pathway set forth in Hearing Exhibit 103, Att. ZDP-1 at page 166, does the Company anticipate consolidating VPP received solicitations through the JTS and through Phase II of the DSP into the single vendor approach? Is the single vendor approach the same as, or different from, the DER aggregator model required by § 40-2-132.5(8), C.R.S.?
- k) The Commission discussed opportunities for distribution system capacity investment to promote maximum load factor efficiencies on the distribution system that would offset the need for incremental investment in transmission capacity. Xcel's operating company in Minnesota committed to distribution capacity procurement ("DCP") for this purpose.in Minnesota PUC docket E-002/RP-24-67:8

⁷ https://www.energy.gov/eere/buildings/residential-cold-climate-heat-pump-challenge

⁸ Xcel Energy's Joint Settlement Agreement filed in Docket No. E-002/RP-24-67 (MN PUC). As of the date of this Decision, the Minnesota PUC has not yet approved Xcel's proposed Joint Settlement Agreement.

- i. Indicate if the Company evaluated such an approach in its current DSP Application, and the result of that evaluation, if applicable. Has such an approach been successfully implemented in other jurisdictions?
- ii. Is the Company open to such an approach for Phase II of this Proceeding?
- iii. Please explain how the DCP concept in Minnesota is distinct, if at all, from the VPP program proposed in this proceeding or the Aggregated DER concept presented in the JTS proceeding (No. 24A-0442E).
- Please describe whether and, if so how, the Company's Grid Needs Assessment reflects the acquisition of a minimum of 100 MW of DDG as required by SB 24-207. Please include detailed descriptions of any Company assumptions about the capacity and location of each DDG deployment.
- m) Hearing Exhibit 101 (Ihle Direct) at page 48 indicates that the budget used to calculate the long-term rate forecast in the JTS includes "very similar" assumptions as used in the DSP, the investments are "highly consistent," and the presentations "generally align" with one another. Please quantify the differences between the distribution capital budget used to calculate the long-term rate forecast in the JTS and the distribution capital budget used in the DSP. The quantification should be broken into the seven proposed "GMAC-eligible" categories and four "Other Distribution Capital" categories as displayed in Hearing Exhibit 101, Table JWI-D-5, as well as presentation of any other categories needed.
- n) Hearing Exhibit 109, Executable Att. 3, filed on February 14, 2025, contains a tab labeled "Electric prem data." Would the Company agree that the impact on winter non-coincident load due to installation of a heat pump is equal to a customer's maximum winter kW value less the maximum summer kW value? Or how does the Company net out base usage to determine the impact of heat pump adoption for customers with and without solar?
- o) With respect to the Company's projection of EV adoption in Hearing Exhibit 109, Exec. Att. 4, filed on February 14, 2025, please indicate, for Colorado as a whole and within Public Service's service territory the (1) total registered light duty vehicles by year; (2) average assumed life of light duty vehicles in years; (3) the new EV and PHEV light duty vehicle registrations assumed by year; and the percent of EV and PHEV registrations per year.
- p) How does the Company know how many EVs are on its system? Is the Company only certain whether the customer owns an EV if the customer is enrolled in a managed charging program?
- 66. The Company shall provide the supplemental direct testimony to question a), above, by March 7, 2025, and the remaining questions, consistent with the above discussion no

later than March 21, 2025. The Company should also be prepared to discuss the supplemental direct testimony at the March 13, 2025 technical conference.

II. **ORDER**

It Is Ordered That: Α.

- 1. The Application of Public Service Company of Colorado ("Public Service") for approval of its 2025-2029 Distribution System Plan ("DSP") and its proposed Grid Modernization Adjustment Clause ("GMAC") rider, filed on December 16, 2024, is set for hearing en banc.
- 2. The Application is deemed complete, for purposes of § 40-6-109.5, C.R.S., and consistent with the discussion above.
- 3. The Motion to Intervene filed by Colorado Energy Consumers ("CEC") on December 31, 2024, is granted.
- 4. The Motion to Intervene filed by the City and County of Denver ("Denver") on January 13, 2025, is granted.
- 5. The Motion to Intervene filed by the City of Boulder ("Boulder") on January 16, 2025, is granted.
- 6. The Motion to Intervene filed by Pivot Energy Inc. ("Pivot") on January 16, 2025, is granted.
- 7. The Joint Motion to Intervene filed by the Colorado Solar and Storage Association ("COSSA"), the Solar Energy Industries Association ("SEIA"), the Coalition for Community Solar Access ("CCSA") and Advanced Energy United ("AEU") (jointly, the "Associations for Clean Energy," or "ACE") on January 16, 2025, is granted.
- 8. The Motion to Intervene filed by the Interstate Renewable Energy Council, Inc. ("IREC") on January 16, 2025, is granted.

- 9. The Motion to Intervene filed by Western Resource Advocates ("WRA") on January 17, 2025, is granted.
- 10. The Motion to Intervene filed by Tesla Inc. ("Tesla") on January 17, 2025, is granted.
- 11. The Motion to Intervene filed by Mission:data Coalition ("Mission:data") on January 17, 2025, is granted.
- 12. The Joint Motion to Intervene filed by Southwest Energy Efficiency Project and Natural Resources Defense Council ("SWEEP/NRDC") on January 16, 2025, is granted.
- 13. The Motion to Intervene filed by Holy Cross Energy Association, Inc. ("Holy Cross") on January 17, 2025, is granted.
- 14. The Motion to Intervene filed by the Eastern Metro Area Business Coalition ("Business Coalition") on January 17, 2025, is granted.
- 15. The notices of intervention filed by the Office of the Utility Consumer Advocate ("UCA") on January 6, 2025, by Trial Staff of the Commission ("Staff") on January 3, 2025, and by the Colorado Energy Office ("CEO") on December 31, 2025, are acknowledged.
- 16. The parties to this Proceeding are: Public Service, Staff, UCA, CEO, CEC, Denver, Boulder, Pivot, ACE, IREC, WRA, Tesla, Mission:data, SWEEP/NRDC, Holy Cross, and Eastern Metro Area Business Coalition.
- 17. The Out of State Counsel's Verified Motion Requesting *Pro Hac Vice* Admission filed by Seth Goldman of IREC on January 16, 2025, is granted.
- 18. The Out of State Counsel's Verified Motion Requesting *Pro Hac Vice* Admission filed by Sky Stanfield of IREC on January 16, 2025, is granted.

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19. The deadline to respond, consistent with the discussion above, to Public Service's

Omnibus Motion for Extraordinary Protection of Highly Confidential Information and for a Partial

Variance from Rules 3528(c) and 3537(b)(VI) shall be March 10, 2025.

20. The Company shall confer with the parties to this Proceeding and Proceeding No.

25A-0061E and shall submit a proposed procedural schedule consistent with this decision by

March 14, 2025. Party comments on consolidation, consistent with the discussion above, shall be

filed no later than March 14, 2025.

21. Public Service shall file Supplemental Direct Testimony in this Proceeding,

consistent with the discussion above, no later than March 7, 2025 (for question a) and

March 21, 2025, for all other questions. A remote technical conference is scheduled in this

Proceeding as follows:

DATE:

March 13, 2025

TIME:

12:00 p.m. to 5:00 p.m.

PLACE:

Join by video conference using Zoom

22. Consistent with the discussion above, at the technical conference Public Service

Company of Colorado shall be prepared to address certain forecasts and assumptions and

demonstrate applicable models.

23. A remote prehearing conference is scheduled in this Proceeding as follows:

DATE:

March 20, 2025

TIME:

9:00 a.m.

PLACE:

Join by video conference using Zoom

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24. This Decision is effective immediately upon its Issued Date.

B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING February 26, 2025.



ATTEST: A TRUE COPY

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners

Rebecca E. White, Director