STATE OF MINNESOTA
BEFORE THE
PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John Tuma	Commissioner

In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of Amendments to its Natural Case and Electric Service Quality Tariffs Originally Established in Docket No. E, G-02/CI-02-2034 & Investigation and Audit of Service Quality Reporting-Fraud wise Report	DOCKET NO. CI-02-2034 DOCKET NO. M-12-383

INITIAL COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC., FRESH ENERGY, THE ENVIRONMENTAL LAW & POLICY CENTER, AND VOTE SOLAR ON XCEL ENERGY'S ANNUAL REPORT AND REQUEST FOR COMMISSION FINDING REGARDING THE CUSTOMER COMPLAINT PERFORMANCE SERVICE QUALITY PLAN

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I. Introduction

The Interstate Renewable Energy Council, Inc. ("IREC"), Fresh Energy, the Environmental Law & Policy Center ("ELPC"), and Vote Solar appreciate the opportunity to provide these comments on the Petition of Xcel Energy ("Xcel"), requesting that the Commission find that 129 customer complaints should not be counted in the Customer Complaints metric of Xcel's Quality of Service Plan ("QSP"). This Petition raises important and troubling questions about how Xcel views its relationship with its customers that seek to install solar under the Solar*Rewards program, or who seek to participate in a community solar garden. It also highlights Xcel's failure to satisfy the requirements of the Minnesota Distributed Energy Resources Interconnection Process ("MN DIP") as it implements the new procedures.

IREC, Fresh Energy, and ELPC have been actively involved in the development of the MN DIP, which provides the framework for processing of the interconnection applications that underlies the complaints at issue here. We petitioned the Commission for the formation of a new set of interconnection procedures to help ensure that Minnesota's electric customers would have access to solar energy through an efficient and cost-effective interconnection process. Along with Vote Solar, we now provide comment on Xcel's Petition because it involves key issues regarding the MN DIP that we raised during the development of those procedures: interconnection process timelines and utility accountability.

On May 1, 2020, Xcel filed its annual report as required pursuant to its QSP. That report noted that the Commission's Consumer Affairs Office ("CAO") received 396 customer complaints regarding Xcel's service to its customers in 2019, which exceeded Xcel's allowed

threshold of 363 complaints and thus subjected Xcel to a $1 million penalty.[1] Along with its annual report, Xcel filed its Petition, requesting that the Commission not count 129 complaints that were submitted by solar installers.[2] On May 6, 2020, the Commission issued a Notice of Comment Period, inviting interested parties to comment on a number of topics raised by Xcel's Petition.[3]

IREC is a 501(c)(3) non-partisan, non-profit organization working nationally to build the foundation for rapid adoption of clean energy and energy efficiency to benefit people, the economy, and our planet. In service of our mission, IREC advances scalable solutions to integrate distributed energy resources ("DERs"), e.g., renewable energy, energy storage, electric vehicles, and smart inverters, onto the grid safely, reliably, and affordably. IREC works across numerous diverse states to improve the rules, regulatory policies, and technical standards that enable the streamlined, efficient, and cost-effective installation of DERs. The scope of IREC's work includes developing and advancing regulatory policy innovations; generating and promoting national model rules, standards, and best practices; and fostering collaborative partnerships with diverse stakeholders to build consensus and achieve workable solutions.

Fresh Energy is a 501(c)(3) non-partisan, non-profit organization working to accelerate Minnesota's transition to a just, resilient, and carbon-free economy by advancing collaborative,

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[1] MN Pub. Util. Comm., Dkt. E,G002/M-12-383, In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of Amendments to its Natural Gas and Electric Service Quality Tariffs ("Dkt. E,G002/M-12-383") & Dkt. E,G002/M-02-2034, In the Matter of an Investigation and Audit of Northern States Power Company's Service Quality Reporting ("Dkt. E,G002/CI-02-2034"), Annual Report and Request for Commission Finding Regarding the Customer Complaint Quality Plan, pp. 2, 16 (May 1, 2020) ("Petition").

[2] Petition, p. 1.

[3] Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Notice of Comment Period (May 6, 2020) ("Notice of Comment Period").

pragmatic, and ambitious policy solutions. DERs are an important part of Minnesota's clean energy industry and statewide energy transition. Fresh Energy is committed to advancing safe, efficient, and cost-effective interconnection procedures as part of our work to ensure a modern, flexible, and equitable electricity grid for all Minnesotans.

ELPC is a not-for-profit public interest environmental organization that works to achieve cleaner air; advance energy efficiency resources and clean renewable energy—such as solar energy; improve environmental quality; protect clean water; and preserve natural resources in Minnesota and throughout the Midwest. ELPC's members, several of whom live and work in Minnesota and in Xcel's service territory, have an interest in ensuring that the Company allows clean distributed energy resources to interconnect to the grid in a fair, streamlined, and efficient manner.

Vote Solar is an independent 501(c)(3) non-profit working to repower the U.S. with clean energy by making solar power more accessible and affordable through effective policy advocacy. Vote Solar seeks to promote the development of solar at every scale, from distributed rooftop solar to large utility-scale plants. Vote Solar has over 90,000 members nationally, including over 2,500 members in Minnesota. Vote Solar is not a trade organization nor does it have corporate members.

We four organizations comment here to address the important issue underlying Xcel's Petition: how can the Commission ensure that Xcel fairly and efficiently interconnects DERs in accordance with the MN DIP and maintains adequate customer service for DER customers? First, we explain that the solar installer complaints were properly included by the CAO in its count of customer complaints under Xcel's current QSP. Second, we explain why Xcel's current customer complaint threshold under the QSP should not be altered retroactively, as Xcel itself

selected that threshold and should have anticipated that problems with the interconnection process would lead to complaints. Third, and finally, we suggest options for tracking complaints and ensuring compliance that the Commission should implement in order to ensure that Xcel adequately complies with its customer service and MN DIP obligations going forward.

II. Background

After the Commission's 2002 investigation into Xcel's service quality performance, the Commission approved a QSP for Xcel, which was most recently revised in 2013.[4] As part of the QSP, Xcel is required to meet certain performance thresholds for things like electric reliability, emergency response time, invoice accuracy, telephone response time, and customer complaints.[5] If it fails to meet performance criteria, Xcel may be subject to fines of up to $1 million.[6] During negotiations for establishing the customer complaint metric, Xcel proposed that the metric should be based on a seven-year historical average of customer complaints.[7] The Commission approved this approach.[8] A new threshold is calculated each year based on Xcel's historical performance, and for 2019, it is 363 complaints.[9]

[4] *See generally* Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Compliance Filing: QSP Tariff Modifications, Xcel Energy Rate Book, Section 6, Sheets 7.1 to 7.11 (Aug. 27, 2013) ("QSP Tariff"); *see also* Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Order Approving Amendments to Service-Quality Tariff (Aug. 12, 2013).

[5] QSP Tariff, Xcel Energy Rate Book, Section 6, Sheets 7.7-7.11.

[6] *Id*., Section 6, Sheet 7.5.

[7] *See* Dkt. E,G002/CI-02-2034, Petition for Approval of Proposed QSP Tariff Amendments, pp. 5-6, 9 (April 16, 2012); Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Petition for Approval of Proposed QSP Tariff Amendments, pp. 6-7 (Mar. 27, 2013).

[8] *See* Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Order Approving Amendments to Service-Quality Tariff, pp. 5-6 (Aug. 12, 2013).

[9] Petition, p. 9.

The complaints at issue here involve Xcel's failure to comply with its obligations under the MN DIP and its general failure to provide a satisfactory interconnection experience for its customers. On August 13, 2018, the Commission adopted the MN DIP, which governs interconnection of DERs in Minnesota.[10] The MN DIP was the result of an extensive, two-year process that was initiated in response to petitions from multiple parties, including IREC, Fresh Energy, and ELPC, to update Minnesota's interconnection procedures.[11] As part of its comprehensive package of procedures for interconnection, the MN DIP establishes timelines within which certain tasks must be done by the interconnection customer and the utility. As explained during development of the MN DIP, timelines are a key component of effective interconnection procedures because, when enforced, they ensure that queue backlogs and costly delays to customers – each of which slow deployment of solar in Minnesota – are avoided.[12] During the process, we advocated for efficient timelines that would give the utilities time to complete their tasks without unnecessarily dragging out the interconnection process, while the utilities requested longer timelines.[13] Indeed, we noted that timelines proposed for – and

[10] *See* MN Pub. Util. Comm., Dkt. E-999/CI-01-1023, In the Matter of Establishing Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Laws 2001, Ch. 212 ("Dkt. E-999/CI-01-1023") & Dkt. E-999/CI-16-521, In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established Under Minn. Stat. § 216B.1611 ("Dkt. E-999/CI-16-521"), Order Establishing Updated Interconnection Process and Standard Interconnection Agreement (Aug. 13, 2018) ("Interconnection Order").

[11] *Id.* at p. 2.

[12] *See* Dkt. E-999/CI-01-1023, Memorandum in Support of the Motion to Reopen and Amend the State Interconnection Standards Under Minnesota Law 2001, Chapter 212, p. 16 (May 12, 2016) ("Memorandum").

[13] *See, e.g.*, *id.* at p. 10; Dkt. E-999/CI-16-521, Joint Movants' Reply Comments in Response to Notice of Supplemental Comment Period, pp. 7-9 (Nov. 15, 2017) ("Joint Movants' Nov. 15, 2017 Comments"); Dkt. E-999/CI-16-521, Initial Comments of Joint Movants on the Draft Staff

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eventually adopted in – the MN DIP were unusually long in comparison to timelines achieved by utilities in other states and argued that they should be shortened.[14] Specifically, we pointed to the 2014 industry average of only two weeks to process a small-system interconnection application through an online portal.[15] In 2015, the average pre-construction processing time for solar interconnection applications for installations of 10 kW or less was one day for Ameren (IL); five days for Orange & Rockland Utilities (NY), Delaware Electric Cooperative (DE), Tucson Electric Power (AZ), and West Penn Power (PA); and six days for National Grid (NY), Eversource (NH), and United Power (CO).[16] And utilities in California have consistently been able to process applications for projects up to 1 MW within three days.[17] Since the third quarter

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Recommendations for the Distributed Energy Resources Interconnection Process and Agreement, pp. 5-8 (Mar. 29, 2018) ("Joint Movants' Mar. 29, 2018 Comments").

[14] Joint Movants' Nov. 15, 2017 Comments, pp. 7-9; Joint Movants' Mar. 29, 2018 Comments, pp. 6-7 (noting that the MN DIP timelines exceed the U.S. average interconnection processing time of 2 weeks from online application submission to permission to operate, and fall far short of the 3-5 day average timelines achieved by leading utilities in other states such as California); *see also* Kristen Ardani, et al., *State-Level Comparison of Processes and Timelines for Distributed Photovoltaic Interconnection in the United States*, National Renewable Energy Laboratory (Jan. 2015), https://www.nrel.gov/docs/fy15osti/63556.pdf; Heather Van Schoiack, *Southern California Edison's journey to same-day interconnection*, Clean Power Research (Aug. 3, 2016), https://www.cleanpower.com/2016/sce-interconnection-journey-webinar/.

[15] Joint Movants' Mar. 29, 2018 Comments, p. 6; Miriam Makhyoun, et al., *Distributed Solar Interconnection Challenges and Best Practices*, Solar Electric Power Association (Oct. 2014), http://www.growsolar.org/wp-content/uploads/2014/10/SEPA-Interconnection-Report-1014-email.pdf.

[16] Chelsea Barnes, et al., *Comparing Utility Interconnection Timelines for Small-Scale Solar PV,* EQ Research, pp. 12-13 (October 2016), http://eq-research.com/wp-content/uploads/2016/10/EQ-Interconnection-Timelines-2016.pdf. In 2015, the average post-construction permission-to-operate waiting period for solar installations of 10 kW or less was one day for Commonwealth Edison (IL), and five days for Colorado Springs Utilities (CO), Ameren (IL), and West Penn Power (PA). *Id*. at pp. 16-17.

[17] Joint Movants' Mar. 29, 2018 Comments, p. 7; *see* Aaron Johnson, *Speeding Up Grid Interconnections for Solar Customers,* Western Energy Institute (Dec. 3, 2015), https://www.westernenergy.org/news-resources/speeding-up-grid-interconnections-for-solar-customers/ (5 days for PG&E); Heather Van Schoiack, *Southern California Edison's journey to*

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of 2019, San Diego Gas & Electric in California has been processing residential NEM applications within an average of 2.2 days.[18] Since the second quarter of 2018, the highest average processing time for a California utility was just over 11 days, with the average among the three utilities being just 5.2 days.[19]

Despite the strong support for efficient timelines for Simplified Process applications, the utilities, including Xcel, insisted that they should receive more time to complete the initial stage of Simplified Process review, including 7 business days to review the application for completeness and an additional 13 business days to screen the application once complete, for a total of 20 days.[20] The Commission ultimately approved generous timelines that were advocated for by Xcel.[21] If a proposed project passes the Simplified Process screens, the utility has to provide the contract or interconnection agreement within 5 days.[22] This results in the utility having at least 25 days to get an application to an interconnection agreement—much longer than many other utilities are able to achieve, as explained above.

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same-day interconnection, Clean Power Research (Aug. 3, 2016), https://www.cleanpower.com/2016/sce-interconnection-journey-webinar/ ("By the end of 2015, average time to interconnection was down to 3 days, and in May 2016, 51% of net energy metering applications were one-touch applications. One touch applications usually receive permission to operate the same day that a complete application package is submitted because it only requires a single review by Southern California Edison.").

[18] California Distributed Generation Statistics, NEM Interconnection Times Data Set (current as of Mar. 31, 2020), *available at* https://www.californiadgstats.ca.gov/static/documents/interconnection_nem_pv/Quarterly_Average_Interconnection_Time_Q1_2020.9ab755607d61.xls.

[19] *Id.*

[20] Interconnection Order, pp. 10-11; Dkt. E-999/CI-16-521, Briefing Papers: Revised Decision Options, Xcel Energy New and Revised Decision Options, p. 2 (Revised Decision Option 2(h)) (May 23, 2018).

[21] Interconnection Order, pp. 10-11.

[22] MN DIP § 2.2.3.

And the process does not stop there: after the utility receives back a signed contract or interconnection agreement, the MN DIP provides that the utility "may schedule appropriate metering replacement and construction of facilities, if necessary."[23] This step has *no* defined timeline, and timing of meter installation appears to be one of the areas where customers have complained about Xcel's lack of timely performance. After installation, the customer must return a Certificate of Completion to the utility, after which the utility has 10 days to witness test, and then 3 days to give Permission to Operate.[24] All in all, the MN DIP affords the utility *at least* 33 days to process an application and achieve operation of the requested system, not counting the undefined amount of time the utility may take for meter installation.

Xcel also has had a generous amount of time to implement the MN DIP and develop its online customer portal. While many parties advocated for a 60-day window following adoption of the MN DIP for utilities to implement the procedures, including adopting new computer systems and customer portals, Xcel argued it needed around a year to accomplish this, which the Commission allowed.[25]

After nearly six months of operating under the new MN DIP, two solar installers filed a total of 129 complaints[26] with the CAO in December 2019. The complaints generally concerned problems with Xcel's online portal for processing applications, which resulted in delays, and Xcel's failure to meet required deadlines under the MN DIP.[27] According to Minnesota solar installers with whom we have had conversations, Xcel's performance under the MN DIP since

[23] MN DIP § 2.3.1.2.

[24] MN DIP §§ 2.3.2, 2.3.3.

[25] Interconnection Order, p. 18.

[26] One installer submitted 128 complaints, and another installer submitted 1 complaint.

[27] Petition, pp. 11-12.

June 2019 has been "rocky" and plagued with delays and problems with its application portal, resulting in customer frustration, financial impacts, and even canceled contracts for solar installers. Interestingly, the installers have noted that they are not experiencing the same problems with their applications in the other Minnesota utility territories, which suggests these problems are unique to Xcel and not due to some problems in the MN DIP itself. Further, interconnection customers report experiencing extensive delays while their projects are "on hold" during the time that Xcel is processing queued-ahead projects. Currently, the MN DIP does not provide for how such delays must be handled, but the ongoing impact to interconnection customers has become a problem.

On May 1, 2020, Xcel filed its annual report of its service quality results for 2019. With that filing, Xcel included a petition to the Commission, asking that the Commission find that the 129 complaints submitted by solar installers are not "customer complaints" to be counted as part of its QSP.[28] Xcel argues that the solar installers are not actually representing customer concerns, and that complaints from solar installers related to the MN DIP were not contemplated when its customer complaint metric was established.[29] Instead, Xcel proposes that it report on complaints related to the MN DIP in its existing MN DIP compliance docket, E999/M-16-521.[30]

On May 6, 2020, the Commission requested comments on Xcel's Petition and whether the Commission should find that the 129 complaints were properly counted as customer complaints.[31] The Commission specifically identified five topics open for comment, to which we respond below.

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[28] *Id.* at p. 8.

[29] *Id.* at pp. 16-17.

[30] *Id.* at p. 13.

[31] Notice of Comment Period.

III. Topics for Comment

A. The Commission should deny Xcel's request that 129 complaints regarding solar interconnection applications be excluded from the customer complaints metric in the Company's QSP tariff.

The Commission should deny Xcel's request that 129 individual interconnection customer complaints be excluded from the definition of "customer complaints." Those 129 complaints should be included in the customer complaints metric in Xcel's QSP tariff because they are complaints properly submitted on behalf of Xcel customers, regarding the provision of electrical service to those customers, and therefore fit squarely within the definition of "customer complaints" that the Company's own QSP tariff establishes. The QSP tariff defines a "customer complaint" as a complaint "submitted by an Xcel customer in which the customer states a grievance related to the Company's provision of service to that customer."[32] "Customer" is defined to include "an individual authorized by the Customer to act on his/her account."[33]

Therefore, the 129 complaints submitted by solar installers on behalf of Xcel customers should be counted as "customer complaints" under the QSP because they are "related to the Company's provision of service" to Xcel customers, and because the installers were acting as authorized representatives of those customers with regard to those customers' solar installations. Moreover, including solar interconnection complaints in the QSP customer complaint metric will improve accountability and benefit Xcel's customers.

[32] QSP Tariff, Xcel Energy Rate Book, Section 6, Sheet 7.2.

[33] *Id.*

1. Complaints about the interconnection process involve Xcel's provision of service to customers and are therefore "customer complaints."

First, complaints about the interconnection process are "customer complaints" because they are "related to the Company's provision of service" to customers.[34] The categories of complaints listed in the QSP are broad and include "billing and credit," "*customer service*," "meter reading," "trouble orders," "reliability duration," "reliability frequency," and "*other*."[35] There is no indication in the QSP tariff that the Commission intended to limit the aspects of Xcel's service that could be subject to customer complaints in order to exclude complaints related to solar installations.

Customers installing small systems under the Solar*Rewards program—like the customers who submitted complaints here—have a particular interest in Xcel's provision of customer service for the interconnection process. Xcel customers typically install grid-connected solar generating systems in order to reduce their electric bills. Under the Solar*Rewards program, interconnection customers receive annual financial incentives for ten years based on the amount of power they generate. Delays in the solar interconnection process result in higher electricity costs for Xcel customers, who must wait longer to realize the savings on their electric bills.[36] Thus, the solar interconnection process is an important part of the service that Xcel provides to customers.

Xcel argues in its Petition that because 110 of the complaints at issue involve technological problems with Xcel's MN DIP online portal, they do not concern "provision of

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[34] *Id*.

[35] *Id*. (emphases added).

[36] *See* Memorandum, pp. 22-23.

service" to customers.[37] Xcel ignores the fact that customer complaints under the QSP are defined to specifically include complaints about customer service.[38] Solar customers should be able to reasonably expect a fairly smooth experience using Xcel's online tools to process interconnection applications. Because the MN DIP portal is a key aspect of Xcel's customer service for interconnection customers—and is funded by those very customers—it is a proper subject of customer complaints.

Further, eighteen of the complaints at issue involve Xcel's failure to meet interconnection application deadlines set by the MN DIP and subsequent failure to timely provide an extension notice to the applicant explaining the reason for the delay.[39] These delays likewise directly impacted Xcel's "provision of service" to customers by slowing down the interconnection process and postponing customers' participation in the Solar*Rewards program. These sorts of delays are also particularly problematic because Xcel is a monopoly service provider, which means customers have no alternate avenue to get interconnected. They cannot, in other words, just take their business elsewhere. Indeed, this is why it is so important to have a meaningful QSP.

2. The complaints are "customer complaints" because installers were authorized to act on behalf of Xcel customers

Xcel next argues that the complaints should not be counted because they were not submitted by the customers themselves.[40] However, the complaints here are "customer complaints" because the solar installers properly submitted complaints on behalf of Xcel

[37] Petition, pp. 3, 11, 13.

[38] QSP Tariff, Xcel Energy Rate Book, Section 6, Sheet 7.2.

[39] Petition, p. 12.

[40] Petition, pp. 16-17.

customers as authorized representatives of those customers with delegated authority to act on their account. Further, it would be unreasonable to not provide an avenue for installers to directly submit complaints regarding interconnection, as they are the ones actually engaged in the process.

The QSP tariff defines a "customer" as

> an electric or a natural gas customer that receives a bill for utility service from the Company or *a representative of that customer*. A representative includes an individual designated with Power of Attorney for the Customer, an attorney retained to represent the Customer, or *an individual authorized by the Customer to act on his/her account*.[41]

Xcel argues that the complaints here should be excluded because they were submitted on behalf of customers by solar installers rather than submitted directly by customers themselves.[42] But the solar installers were authorized to act on behalf of customers in all aspects related to the solar installation, and thus the complaints must be counted.

Xcel argues that the solar installers lacked authorization to file complaints on the customers' behalf.[43] Xcel's assertion is inaccurate for two reasons. First, the MN DIP makes clear that solar installers are authorized to act on behalf of customers they represent. Specifically, the MN DIP provides that an "Interconnection Customer may designate … an Application Agent to serve as the single point of contact to coordinate with the [utility's] DER Interconnection Coordinator on their behalf."[44] And indeed, throughout the interconnection

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[41] QSP Tariff, Xcel Energy Rate Book, Section 6, Sheet 7.2 (emphasis added).

[42] Petition, pp. 16-17.

[43] *Id*.

[44] MN DIP, Xcel Energy Rate Book, Section 10, Sheet 172 (MN DIP section 1.3.2), Sheet 214 (MN DIP Attachment 2: Simplified Application Form) ("I designate the individual or company listed as my Application Agent to serve as my agent for the purpose of coordinating with the Area EPS Operator," i.e. the utility, "on my behalf throughout the interconnection process").

process, it is almost exclusively the installer—not the customer—who has direct contact with Xcel. It is typically the installer as the Application Agent—and not the customer—who completes and submits the interconnection application, and the interconnection customer generally does not access the MN DIP application portal at all.[45] Thus, it makes sense that the solar installers acting as authorized Application Agents would be the ones to submit complaints about Xcel's processing of the customers' applications.

In any case, customers authorized the installers to act on their behalf regarding interconnection of solar systems by signing contracts delegating this authority.[46] An installer's delegated authority to act on a customer's behalf reasonably includes the authority to submit complaints when there are problems with the interconnection process.

Ultimately, it would be unreasonable to exclude the power to submit complaints from an installer's delegated authority. A significant part of the service that the installer provides is to handle the interconnection process for the customer and to make it as seamless as possible for them. The customer has delegated these tasks to the installer and simply wants their solar system installed and running in a timely fashion. Further, because solar installers have more information and expertise than customers regarding the interconnection process, they are better positioned to recognize problems that warrant complaints. Individual customers likely do not know enough about the interconnection process to identify problems, as that is why they hired an installer to act as their agent in the first place. It is also important to recognize installers' complaints here

[45] Dkt. E002/M-18-714, Xcel Responses to MPUC Information Requests, Information Request No. 7, p. 1 (February 19, 2019).

[46] MN DIP, Xcel Energy Rate Book, Section 10, Sheet 214 (MN DIP Attachment 2: Simplified Application Form) ("I designate the individual or company listed as my Application Agent to serve as my agent for the purpose of coordinating with the Area EPS Operator," i.e. the utility, "on my behalf throughout the interconnection process").

because delays in the interconnection process can jeopardize the relationship between installers and customers, as customers may wrongly blame installers for delays and other problems caused by the utility, which are outside the installer's control. To ignore these customer complaints would allow Xcel to avoid responsibility on these issues.

3. Counting solar interconnection complaints under the QSP will improve accountability and benefit customers.

Including solar interconnection complaints in the QSP customer complaint metric is important to ensure utility accountability for the interconnection process and will benefit Xcel's customers. Although complaints relating to the Solar*Rewards program are reported annually in another docket, and the MN DIP provides a dispute resolution process, these mechanisms do not serve the same purpose as complaints counted through the QSP. In particular, the CAO customer complaint process is faster and less onerous than the MN DIP dispute resolution process—thus capturing issues that might not warrant undergoing the full dispute resolution process on an individual basis—and creates greater utility accountability than the Solar*Rewards reporting process.

Xcel is required to submit annual reports on the Solar*Rewards program to the Minnesota Department of Commerce, Division of Energy Resources, but these reports are not required to include complaints received.[47] However, under the Solar*Rewards Community Solar

[47] MN Dept. of Commerce, Division of Energy Resources, Dkt. E002/M-13-1015, In the Matter of the Petition of Northern States Power Company for Approval of Solar*Rewards Program, & Dkt. E,G002/CIP-12-447, In the Matter of Xcel Energy's Request for Modification of its 2013-2015 Triennial CIP Plan, Analysis and Decision Regarding Xcel Energy's Request for Program Modification of its 2013-2015 Triennial and its Solar Energy Incentive Program Proposal, pp. 12-13, 21 (March 28, 2014) (annual reports should include "ongoing measurement and verification protocols. . . to evaluate actual performance" and are required to report on "any special issues" that arise with Solar*Rewards program).

Garden (CSG) program, Xcel is required to "report[] on known complaints and the resolution of these complaints."[48] Complaints involving the Solar*Rewards program generally *may* be included in annual reports under Docket No. E002/M-13-1015, but complaints involving the CSG program *must* be reported under Docket No. E002/M-13-867. Xcel's Solar*Rewards 2019 reports note complaints received, including the 129 complaints at issue here as well as other complaints involving the Solar*Rewards program and complaints about CSG operators.[49] The 2019 Solar*Rewards report notes in its discussion of customer complaints that "there was much confusion and dissatisfaction as the earliest MN DIP projects proceeded through the interconnection process. At times, dissatisfaction was due to utility delays while at other times it was with the process itself. Sometimes it was also due to how the online application system [w]as performing new processes. . . ."[50]

Although the Solar*Rewards program requires Xcel to publicly acknowledge the complaints it receives, the program's reporting process does not ensure accountability, as no enforcement mechanism applies when Xcel fails to meet performance targets. Xcel argues that as part of the Solar*Rewards reporting process, the utility will "often address concerns and issues" raised by complaints.[51] However, the Solar*Rewards reporting process does not impose

[48] Dkt. E002/M-13-867, Order Rejecting Xcel's Solar-Garden Tariff Filing and Requiring the Company to File a Revised Solar-Garden Plan, p.32, pt. 23(c) (April 7, 2014).

[49] Dkt. E002/M-13-1015, Solar*Rewards Program 2019 Annual Report, pp.13-15 (June 1, 2020); Dkt. No. E002/M-13-867, Solar*Rewards Community Program 2019 Annual Report, pp. 40-43 (April 1, 2020).

[50] Dkt. E002/M-13-1015, Solar*Rewards Program 2019 Annual Report, p. 13 (June 1, 2020).

[51] Petition, p.13.

any real consequences for Xcel's failure to meet its own interconnection deadlines.[52] The Solar*Rewards reporting process is thus not a replacement for the QSP, which imposes concrete repercussions for Xcel's failure to adequately meet customer's interconnection expectations, including the possibility of substantial financial penalties ("under performance payments") for failure to meet the customer complaint performance threshold.[53]

The MN DIP dispute resolution process is also not a sufficient substitute for inclusion of solar interconnection complaints in the QSP. The MN DIP and Interconnection Agreement ("MN DIA")[54] provide a dispute resolution process via the CAO.[55] Under this multi-step process, an interconnection customer must provide the utility and CAO with a written Notice of Dispute outlining the relevant facts and the relief sought, the parties' authorized representatives must meet and confer, and, if negotiations are unsuccessful, the parties must engage in mediation overseen by CAO or a third party before a formal complaint is filed.[56] Given the time and expense involved, individual customers are unlikely to pursue a complaint through the full MN DIP dispute resolution process when a utility misses a deadline or two for a project—and there is no way under the MN DIP's dispute resolution process to aggregate these individually minor but

[52] *See* Dkt. E-002/M-13-867, Minnesota Solar Energy Industries Association (MN SEIA), Motion to Reconsider Xcel Energy's Section 9 Tariff Revisions, pp. 2-3 (May 19, 2019) ("MN SEIA Motion to Reconsider") (discussing interconnection delays under CSG program).

[53] QSP Tariff, Xcel Energy Rate Book, Section 6, Sheets 7.5, 7.7.

[54] Dkt. E002/M-18-714, Compliance Filing: Tariff Revisions to Implement Updated Interconnection Standards for Distributed Generation Facilities, Xcel Energy Rate Book, Section 10, Sheets 250-284 (May 20, 2019) ("MN DIA").

[55] MN DIP & MN DIA, Xcel Energy Rate Book, Section 10, Sheets 195-196 (MN DIP section 5.3), Sheets 266-267 (MN DIA § 10).

[56] *Id*.

cumulatively significant instances of non-compliance by the utility. As explained above, missed interconnection deadlines have significant negative impacts on customers and installers.[57]

Perhaps recognizing this shortcoming of the dispute resolution process, the MN DIP provides other avenues for such complaints. Specifically, the MN DIP recognizes that customers may utilize the CAO's informal complaint process without first undergoing mediation[58]—which is exactly what the solar installers who submitted the complaints at issue here did. Nothing in the MN DIP or QSP indicates that these complaints, clearly authorized under the MN DIP, should be excluded from the QSP's complaints metric. Indeed, because the QSP existed when the MN DIP was developed—and thus all parties were aware that complaints submitted to the CAO could be counted under the QSP—the most appropriate interpretation of the two programs together is that customer complaints about the MN DIP process were intended to be included for QSP purposes. Indeed, this is an effective way to ensure the accountability that the Solar*Rewards reporting process does not independently provide.

In addition to promoting utility accountability via enforcement measures and providing a more efficient alternative to the MN DIP dispute resolution process, including solar interconnection complaints in the QSP customer complaint metric will also benefit Xcel customers because it measures customer service and satisfaction, independent of Xcel's

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[57] MN SEIA Motion to Reconsider, p. 2 (discussing financial impact of missed deadlines on solar developers); Memorandum, pp. 22-23 (discussing costs imposed on customers by interconnection delays); Dkt. E002/M-13-1015, Reply Comments of All Energy Solar re Solar*Rewards 2018 Annual Budget, p. 2 (Sept. 23, 2019) ("In many cases we have witnessed an increase in [solar interconnection] timelines and a decrease in application transparency.").

[58] *See* MN DIP & MN DIA, Xcel Energy Rate Book, Section 10, Sheets 196, 266 (MN DIP section 5.3.3, MN DIA § 10.3) ("The Interconnection Customer may utilize the Commission's Consumer Affairs Office's complaint/inquiry form and Informal Complaint dispute resolution process to assist with the written Notice of Dispute.")

performance on other criteria. In a regulated market where customers have no alternative, it is important to track whether customers feel satisfied with Xcel's service, not just whether Xcel is meeting its minimum legal obligations. Customer complaints involving solar interconnection should continue to be tracked under the QSP and the Commission should actively track and monitor Xcel's performance under the MN DIP, as discussed in Section III.C below.

B. The threshold for Xcel Energy's customer complaints performance should not be retroactively re-evaluated.

The Commission also solicited comment on whether the threshold for Xcel's customer complaints performance should be reevaluated. We believe that the performance threshold for Xcel's customer complaints should not be changed retroactively, as Xcel itself chose this performance level, knew that it applied, and could have avoided the complaints at issue here if it had processed solar interconnection applications in a timely manner. Indeed, it would prejudice parties participating in the dockets to establish the QSP performance thresholds to change them retroactively, as well as create uncertainty over the finality of future QSP orders.

Xcel asserts that customer complaints from solar installers should be excluded because it did not anticipate such complaints. Xcel argues that the current performance threshold for customer complaints was "set prior to the expansion of DER installations or the implementation of our new interconnection process as part of our transition to the MN DIP" and thus "the seven-year history (2005 to 2011) of actual customer complaints used to establish the current performance threshold did not contemplate complaints driven by solar installers."[59] However, the expansion of DER installations and the transition to MN DIP do not excuse Xcel's poor performance. There were already interconnection rules in place long before the transition to MN

[59] Petition, p.17.

DIP.[60] Xcel was an active participant in the MN DIP process, got both the longer timelines it requested in the MN DIP and was granted an extended period of time to implement the new procedures.[61] Moreover, as noted below, other Minnesota utilities have managed the transition with far fewer performance issues.

Xcel should have anticipated that complaints from solar installers would count towards the QSP's customer complaint performance level. Xcel itself chose the customer complaint performance level that it has now failed to meet, and no party contested that performance level in the proceeding where the QSP was adopted, nor raised this concern during development of the MN DIP.[62] Xcel now argues that it would not have suggested this performance level if it knew that solar installations would be included.[63] However, Xcel's solar customers are not new customers—they were already existing, regular Xcel customers before installing solar systems and they are thus the exact same customers envisioned by the QSP. Thus, the expansion of solar installations does not mean Xcel is faced with an unexpected influx of new or additional customers who could not previously submit complaints.

The reason Xcel failed to meet the performance threshold for customer complaints is not that the performance threshold is too stringent or unexpectedly broad, as Xcel suggests, but rather that Xcel has failed to adequately manage the interconnection process, despite having ample time to prepare for implementation of the MN DIP.[64] Indeed, Xcel's process has lagged

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[60] *See* Dkt. E-999/CI-01-1023, Order Establishing Interconnection Standards (Sept. 28, 2004).

[61] *See* Interconnection Order, pp. 5, 10-11, 18, 29.

[62] Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Petition for Approval of Proposed QSP Tariff Amendments, pp. 6-7 (Mar. 27, 2013); Dkts. E,G002/M-12-383 & E,G002/CI-02-2034, Order Approving Amendments to Service-Quality Tariff, p. 3 (Aug. 12, 2013).

[63] Petition, p.17.

[64] Interconnection Order, pp. 5, 18, 29 (giving Xcel until June 2019 to implement the MN DIP).

behind that of other Minnesota utilities. In conversations with Minnesota installers, we have learned that other utilities in the state have not had similar problems and have typically processed interconnection applications quickly and with few complaints. While there is not sufficient public data to verify these claims, they are notable nonetheless. Rather than seeking to lower the applicable performance threshold, Xcel should work to improve its handling of the interconnection process and provide better service to customers in compliance with the MN DIP.

For these reasons, the QSP's performance threshold for customer complaints should not be changed retroactively, as Xcel knew it applied and could have endeavored to avoid these complaints. However, if the Commission wishes to consider altering the threshold going forward, it can do so via the usual process, taking into account Xcel's historical performance as it has always done.

C. Complaints from solar installers should be tracked and should be subject to an enforcement mechanism.

As an initial matter, in response to the question of how solar installer complaints should be tracked, we must note that the QSP does not simply track complaints; it also penalizes Xcel for failure to meet established performance criteria. The financial enforcement mechanism under the QSP is intended to motivate Xcel to perform well. Indeed, Xcel's Petition highlights the effectiveness of the financial enforcement mechanism, indicating that the Company is very motivated to avoid financial penalties. Regardless of the method chosen for tracking complaints by solar installers, we urge the Commission to consider the usefulness of an enforcement and accountability mechanism to accompany the tracking.

As explained above, the solar installer complaints for 2019 should be counted under the QSP because they meet the applicable criteria for customer complaints. We are likewise supportive of continuing to track solar installer complaints under the QSP, as these complaints

must be counted somewhere. The key point is that tracking installer complaints under the QSP holds Xcel accountable for ensuring a smooth and fair interconnection process for customers seeking to install DER. As explained above in Section II, the timelines currently provided to Xcel under the MN DIP are quite generous, and compliance with the timelines should not overburden the utility. Yet, solar installers in Minnesota have been forced to complain to the CAO that Xcel is failing to meet even these extended timelines for interconnection under the Simplified Process for the smallest solar systems.

Regardless of whether the Commission decides to track complaints from solar installers for QSP purposes (and we submit that it should), it should certainly ensure there is an accountability mechanism that tracks customer complaints related to the MN DIP process and develop a more robust reporting and enforcement process for the MN DIP. In particular, we propose that the Commission take the following steps to ensure that Xcel is held accountable and that customer concerns are counted and addressed.

First, the Commission should allow the CAO to continue to receive and track complaints from solar installers about Xcel's implementation of MN DIP and related issues. The Commission should ensure there is an approach to act on those complaints in a way that holds Xcel accountable. For example, this could be achieved by simply creating a separate performance threshold for DER interconnection-related complaints. The benefit of this system is that it mirrors how Xcel's performance is evaluated in other contexts under the QSP: by customer satisfaction. There should not be a higher burden for holding Xcel accountable for its handling of DER interconnection than in any other context.

Additionally, to ensure compliance with the MN DIP and customer satisfaction with the interconnection process generally, the Commission should require more detailed reporting on the

utility's compliance with the MN DIP, especially timelines, and establish an enforcement mechanism for when utilities are persistently out of compliance. Currently, the Commission requires annual reporting from utilities that identifies all projects interconnected during the previous year, including the dates that certain milestones for each application are met:

1. Date of application submittal;
2. Date application deemed complete;
3. Date of initial review;
4. Date of supplemental review;
5. Date of system impact study;
6. Date of facilities study;
7. Date of interconnection agreement; and
8. Date of permission to operate.[65]

To best analyze timeline compliance, we recommend that in addition to the information already required for reporting, the Commission also require utilities to provide the maximum, mean, and median processing times for the milestones listed above. That would more clearly provide the Commission with an understanding of how the utilities are meeting their obligations under the MN DIP, as opposed to the current reporting structure, which would require the Commission to review milestone dates for each application reported on and calculate the length of time spent on each one.

Then, if reporting indicates a lack of compliance overall—the benefit of reporting averages—the Commission could establish mechanisms to enforce compliance, much like the QSP currently does with other aspects of Xcel's service. For example, there could be financial

[65] Interconnection Order, p. 31.

penalties if Xcel's average time to complete certain interconnection process steps exceeds the time allowed under the MN DIP. The important consideration is that whatever enforcement mechanism is selected, it needs to be one that will motivate shareholders to keep the utility in compliance.

However, it must be noted that while enhanced reporting and an enforcement mechanism, as described here, would go a long way toward ensuring timeline compliance, they would not serve all of the functions that the QSP's customer complaint mechanism does. As explained above, timeline compliance does not encompass general satisfaction with the process. Many of the complaints at issue here focused on problems with the user-friendliness of Xcel's customer portal for the interconnection process. Further, Xcel's practice of placing projects "on hold" and removing them from progressing under the MN DIP timelines will not be adequately monitored by this reporting scheme. These issues relate to general satisfaction with the interconnection process, and there is no reporting category that can adequately capture general satisfaction other than a complaint process. Thus, even if the Commission decided to focus on timeline reporting to assess compliance, there must be some way to identify customers' complaints.

We emphasize here that the Commission allowing customer complaints, and giving force to those complaints, is important. Indeed, without the complaints by the solar installer that gave rise to this Petition, these important concerns regarding Xcel's implementation of the MN DIP might have gone unnoticed by the Commission. These issues are before the Commission now, and we urge the Commission to act now to remedy them before processing issues and delays compound.

D. How the definition of "customer" in Xcel's QSP tariff should be interpreted.

This issue is addressed in section III.A, above.

E. Other issues or concerns related to this matter.

None

IV. Conclusion

Customers rely on Xcel to safely and legally interconnect a solar project in Xcel's territory – there is no other avenue available to customers. Xcel's performance in the interconnection process therefore directly affects solar customer experience and cost. The QSP was created to ensure that Xcel is adequately serving its customers, and it is the only reasonable mechanism for accountability that is available to most customers. We ask that the Commission take the evidence of these complaints for what they are: an indication that Xcel is failing to adequately serve its customers and likely also failing to comply with its obligations under the MN DIP. The Commission must exercise its regulatory authority to hold Xcel accountable for improving its performance and also establish a mechanism that more closely monitors Xcel's obligations under the MN DIP in the future, so that the Company does not violate the QSP threshold again.

DATED: July 1, 2020

Respectfully submitted,

By: /s/ Laura D. Beaton

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CERTIFICATE OF SERVICE

DOCKET NO. CI-02-2034 and M-12-383

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is 396 Hayes Street, San Francisco, CA 94102.

On July 1, 2020, I served a true and correct copy of

INITIAL COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC., FRESH ENERGY, THE ENVIRONMENTAL LAW & POLICY CENTER, AND VOTE SOLAR ON XCEL ENERGY'S ANNUAL REPORT AND REQUEST FOR COMMISSION FINDING REGARDING THE CUSTOMER COMPLAINT PERFORMANCE SERVICE QUALITY PLAN

on the parties in this action as follows:

SEE ATTACHED SERVICE LIST

BY ELECTRONIC FILING: I caused a copy of the document(s) to be sent to the e-mail addresses of the persons designated as accepting electronic service on the Official Service List by using the eService feature of the eFiling application of the Minnesota Public Utilities Commission.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in San Francisco, California on July 1, 2020.

Jennifer Miao

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