

March 28, 2019 Agenda Meeting

Docket Nos. E002/M-13-867; E002/M-18-714; E002/M-13-1015; E002/M-16-222

Staff Revised Decision Options filed March 27, 2019

## 13-867 Staff Revised Decision Options

1. Adopt Xcel's proposed tariff revisions filed December 14, 2018, and the two revisions to the proposed tariffs filed by the Company on February 22, 2019 in reply comments. These two revisions are: (1) a correction to Tariff Sheet No. 65 to account for the oversight noted by the Department, and (2) the revision to the Company's initially proposed language on deposits in Section 9, CSG Tariff Sheet No. 66.1. **Apart and except from the above, adopt some or all of the following:**

### ***One-time refundable deposit***

**Note:** Xcel agreed in reply comments to remove language initially proposed in Tariff Sheet No. 66.1 that would allow deposits for one garden project to be used for another rather than returned in full. The Company provided redlined changes in its reply comments to reflect removal of the language. ***If the Commission adopts Decision Option #1 above, it will be adopting the change to Tariff Sheet 66.1 proposed by Xcel in reply comments.***

### ***Independent Engineer dispute process***

2. Adopt MnSEIA's recommended language, for new Tariff Sheet No. 68.19, as proposed in the attachment to MnSEIA's comments filed February 8, 2019, **that would provide for an interconnection dispute mechanism for CSG applicants that allows disputes to be submitted to an independent engineering mediator.** (MnSEIA)  
(Note: New Tariff Sheet No. 68.19 is included in Xcel's December 14, 2018 filing in Docket No. E-002/M-18-714.)
3. Direct Xcel to propose modifications to its Section 10, Tariff Sheets 195-196 (MN DIP 5.3 Disputes) to incorporate aspects of the current Independent Engineer process into the dispute mediation process. (CSG Developer Group)
4. By taking no action, adopt Xcel's proposal to eliminate the Independent Engineer resolution process for the CSG Program and to replace it with the MN DIP dispute resolution process for all Xcel's interconnection applicants. (Xcel Energy, Department)
5. Refer the matter of possible future changes to the dispute mediation process, including but not limited to retention of independent technical support, to the MN DIP working group for further consideration.

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***Participation Fee***

- 5AA. Deny Xcel's request to increase the current CSG Program Participation Fee from \$300 to \$500 per year. *(MnSEIA)*
- 5BB. By taking no action, adopt Xcel's proposal to increase the current CSG Program Participation Fee from \$300 to \$500 per year. *(Xcel Energy, Department)*

***Requirement for a Parent Guarantee in the Annual Report***

- 6. Adopt Xcel's proposed Tariff Sheet No. 77, Section 6(F), with the following language removed: "and includes a Parent guarantee that it has financial responsibility or obligation to pay debts on behalf of the subsidiary companies." *(CSG Developer Group, MnSEIA)*
- 7. By taking no action, adopt Tariff Sheet No. 77, Section 6(F), as proposed by Xcel, including the language requiring a Parent Guarantee. *(Xcel Energy, Department)*
- 8AA. Deny Xcel's proposed changes to Tariff Sheet No. 77, Section 6(F). Direct Xcel to discuss at a future CSG Stakeholder Working Group meeting its proposal for the revised language in Tariff Sheet No. 77, Section 6(F) regarding annual reporting and the requirement for a Parent Guarantee to pay debts for subsidiary companies.
- 8. Direct Xcel to discuss at a future CSG Stakeholder Working Group meeting its proposal for the revised language in Tariff Sheet No. 77, Section 6(F) regarding annual reporting and the requirement for a Parent Guarantee to pay debts for subsidiary companies.

***Company interconnection timelines and late fees***

- 9. Direct Xcel to revise its Section 9 CSG Tariff Sheet No. 67.3 to include specific deliverable timelines by which the Company must interconnect a project so long as the developer requested in-service date is reasonable and the developer has met its obligations. *(CSG Developer Group, MnSEIA)*
- 10. Take no action to adopt the proposal by CSG Developer Group to require specific deliverable timelines that apply to the Company and adopt Section 9 CSG Tariff Sheet No. 67.3 as proposed by Xcel. *(Xcel Energy, Department)*
- 11. Direct Xcel to discuss at a future CSG Stakeholder Working Group meeting the CSG Developer Group proposal to add language to Section 9 CSG Tariff Sheet No. 67.3 that would include specific deliverable timelines by which the Company is required to interconnect a project so long as the developer requested in-service date is reasonable and the developer has met its obligations.

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***Opening a comment period on program changes***

12. Direct the Executive Secretary to open a comment period seeking comments on programmatic improvements to Xcel's CSG Program, including issues proposed by CSG Developer Group: (1) allowing new electric vehicle owners to upsize their CSG subscription more quickly without waiting for a year's usage data, (2) providing technical or online solutions that would make the process of signing up for residential subscribers more clear and efficient (3) allowing for the use of advanced inverter functionality, (4) considering whether the program deposits should be released earlier in the process when the interconnection agreements are executed and estimated interconnection costs paid, (5) analyzing whether 5 year renewal periods could be added to material contracts to bring them more in line with the useful life of solar facilities, and (6) bringing interconnection study fees more in-line by capping them at a level reasonable for the scale and complexity of a project. *(CSG Developer Group)*
13. Direct Xcel to hold at least two separate CSG Stakeholder Working Group meetings, the purpose of which is to discuss, prioritize, and make recommendations on programmatic improvements to the Company's CSG Program, **including discussion of any legislative changes from the 2019 Legislative session that would affect the CSG Program**. Xcel should report back to the Commission in writing concerning joint priorities for programmatic improvements, reflecting both agreement and disagreement by August 1, 2019. *(Staff modification of recommendations made by Xcel and MnSEIA)*
14. Take no action or take some other action after considering MnSEIA's proposal.

***Timing of compliance filing***

15. Require Xcel Energy to submit a compliance filing consistent with the Commission's decisions in this matter no later than 10 days from the issuance of the Order.

**18-714 Staff Revised Decision Options**

1. Approve Xcel Energy's Initial Petition as filed on December 14, 2018 in this docket with an effective date of June 17, 2019.
2. **(AMENDED)**. Approve Xcel Energy's tariff revisions as proposed in the December 14, 2018 Initial Petition with the modifications proposed by the Company's Response to MN PUC Information Request #1-7 and Reply Comments **with an effective date of June 17, 2019. and subject to the following:**

*(Note: If the Commission adopted Decision Option 2 or 3 in 13-867 related to the Independent Engineer Dispute Resolution Process, additional action is needed in this decision option (see Attachment B.))*

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3. (AMENDED) Adopt Xcel Energy's proposed addition under "Application of the MN DIP" at Section No. 9; Sheet No. 5.<sup>1</sup>

APPLICATION OF THE MN DIP

To the extent that an application or interconnection is subject to the MN DIP, and there is any inconsistency between the provisions of this Section 9 and the MN DIP as set forth in the Section 10 tariff or the MN Technical Requirements, the provisions of the MN DIP and MN Technical Requirements shall control over the provisions of this Section 9 tariff.

Notwithstanding this, for purposes of interpreting this Section 9 tariff the MN DIP or MN Technical Requirements will not control over the provisions of this Section 9 tariff that define the terms "Qualifying Facility" and "Generation System".

- 3A. (NEW) Remove the following from Section No. 9; Sheet No. 5:

APPLICATION OF THE MN DIP

To the extent that an application or interconnection is subject to the MN DIP, and there is any inconsistency between the provisions of this Section 9 and the MN DIP as set forth in the Section 10 tariff or the MN Technical Requirements, the provisions of the MN DIP and MN Technical Requirements shall control over the provisions of this Section 9 tariff.

- 3B. (NEW) Amend Section No. 9; Sheet No. 5 as follows:

APPLICATION OF THE MN DIP

To the extent that an application or interconnection is subject to the MN DIP, and there is any inconsistency between the provisions of this Section 9 **related to Cogeneration and Small Power Production** and the MN DIP as set forth in the Section 10 tariff or the MN Technical Requirements, the provisions of the MN DIP and MN Technical Requirements ~~shall control over~~ **should provide guidance to** the provisions of this Section 9 tariff.

*(Staff Note: New Decision Options 3A and 3B are alternatives to Decision Option 3. Black is Xcel's initially proposed language. Red is new language proposed.)*

4. Refer the issue of how interconnection costs are treated to the Distributed Generation Workgroup for further consideration (Staff modification to City of Minneapolis/ILSR.)
5. Require Xcel Energy to file a compliance filing consistent with the Commission's decisions in this matter no later than 10 days from the issuance of the Order.
6. (NEW) Order Xcel to amend Section No. 9; Sheet No. 67.2 last paragraph to replace "the application being Deemed Complete" here should be replaced with "the date the MN DIA has been signed by both parties".<sup>2</sup>

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<sup>1</sup> MN PUC, Ex Parte Communication Report(March 11, 2019), e-filed in E002/M-18-714, E002/M-16-222 and E002/M-13-1015

<sup>2</sup> Xcel IR Response #4.c.

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**13-1015 and 16-222 Staff Revised Decision Options**

1. Approved the proposed tariff revisions shown in red-lined edits in Xcel Energy's December 18, 2018 filing.<sup>3</sup> (*Xcel, Department*)
  
2. **(AMENDED)** Permit Xcel Energy to proceed with amended Solar\*Rewards and Solar\*Rewards Community Contract for Those Receiving Solar\*Rewards customer contracts 32 days after they are filed with the Commission if all three of the following conditions are met: (*Xcel, Department*)
  - a) The filing amends a third generation Solar\*Rewards contract or the ~~{X-generation(s)?}~~ Solar\*Rewards Community Contract for Those Receiving Solar\*Rewards Incentive;
  - b) The filing includes a red-lined version showing the changes to the standard contract;  
and
  - c) No objection or intent to object is filed within 30 days of the filing.

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<sup>3</sup> See Attachment A to staff briefing papers. Blue-line edits will be addressed in Docket No. E002/M-18-714 concurrent with this docket.