

Agenda Item #3, October 7, 2015
Xcel CSG, 13-867
Additional Staff Decision Alternatives

F. On the Commission's own motion, clarify the August 6, 2015 Order as it relates to one or all of the following issues:

Divestiture

1. Clarify that the August 6, 2015 Order does not allow CSG applicants to transfer their ownership interests related to a CSG application to a different developer without the application losing its queue position.

Distribution System Upgrades

2. Clarify that the following language is consistent with Section 2.2.(b) of the Partial Settlement Agreement and the Commission's August 6, 2015 Order:
(*Staff revised draft tariff language.*)

Beginning with the Initial Revised Tariff Filing Date, once a Community Solar Garden is Expedited Ready it will undergo Engineering Scoping Studies which will include among other matters the following:

The Company will determine whether a "Material Upgrade" to the Company network is needed to accommodate a Community Solar Garden. A Material Upgrade will not be performed.

~~Examples of~~ Material Upgrades that will not be performed are limited to **include** the following:

- New substation transformer
- Upgrade substation transformer(1)
- Install new feeder bay
- Install new overhead or underground feeder(2)
- Changes that require **an extended** substation outage
- The following upgrades or additions resulting from the engineering indicative cost estimate which, in the aggregate, exceed \$1 million:
 - Three-phase line extension on existing feeders
 - Reconductor/build Line

(1) A substation transformer upgrade is defined by the replacement of entire unit. Auxiliary relaying, instrumentation, and other minor upgrades do not fall in this category.

(2) This provision only applies to a switchgear substation. A switchgear substation is one that contains pre-manufactured feeder breaker assemblies.

3. Clarify that the following language is consistent with Section 2.2.(b) of the Partial Settlement Agreement and the Commission's August 6, 2015 Order:
(Draft tariff language filed by Xcel on September 15, 2015.)

Beginning with the Initial Revised Tariff Filing Date, once a Community Solar Garden is Expedited Ready it will undergo Engineering Scoping Studies which will include among other matters the following:

i. The Company will determine whether a "Material Upgrade" to the Company network is needed to accommodate a Community Solar Garden. A Material Upgrade will not be performed.

aa. Examples of Material Upgrades that will not be performed include the following:

- New substation transformer
- Upgrade substation transformer(1)
- Install new feeder bay
- Install new overhead or underground feeder(2)
- Changes that require a substation outage

(1) A substation transformer upgrade is defined by the replacement of entire unit. Auxiliary relaying, instrumentation, and other minor upgrades do not fall in this category.

(2) This provision only applies to a switchgear substation. A switchgear substation is one that contains pre-manufactured feeder breaker assemblies.

bb. In addition, a Material Upgrade includes the following upgrades or additions resulting from the engineering indicative cost estimate which, in the aggregate, exceed \$1 million:

- Three-phase line extension on existing feeders
- Reconductor/build Line

4. Take no action to clarify the settlement language at this time, given that Xcel will be filing tariffs five days after the issuance of the Order in this matter and the Commission will address the tariff language at that time.

Sunset on distribution system upgrade limit

5. Require Xcel to include a September 15, 2016 sunset for language in its tariffs that pertains to limits on the interconnection of CSGs due to the need for material upgrades.

Role and finality of independent engineer

6. Clarify the August 6 Order by adding the following language to Ordering Paragraph 1, Partial Settlement Paragraph 2.2.a. (v):

(v) The Company agrees, upon the request of any Community Solar Garden applicant, to submit interconnection disputes materially affecting the application to an independent engineer. The independent engineer shall be selected or approved by the Department to ensure neutrality. The independent engineer shall be available on a standing basis to resolve disputes on the study process, including material disputes related to the Company's determination of application completeness, timeliness of application and study processing, and the cost and necessity of required study costs and distribution system upgrades. **The decisions of the independent engineer will go into effect unless review and determination by the Commission is requested within 5 business days of the issuance of the independent engineer's written decision by an applicant or the Company.** If the Community Solar Garden applicant disputes the findings of the Company, the applicant may request independent engineer review, and shall share 50% of the costs of the independent engineer. The Parties recognize and agree that the Company is statutorily obligated to provide safe and reliable service, and the safety and reliability of the system should be given paramount consideration in any analysis. A clear dispute resolution process shall be identified by the Parties following the Effective Date of this Agreement.

Application processing under the application tracking system

7. Clarify the August 6 Order by adding the following language to Ordering Paragraph 3:

The Commission directs the Department to devise an application-tracking process in cooperation with the Company and all solar-garden applicants, and to provide the Commission and parties with an application-processing schedule in a compliance filing within 60 days of this order. The Department is authorized to investigate situations in which application-processing timelines are not reasonably met. **The Department's written decision in this regard will go into effect unless an applicant or the Company requests review and determination by the Commission within five business days of the issuance of the Department's written decision.**

Note: The Commission should return to page 29 of the Staff Briefing Papers to complete motions on: (D) Stay of the August Order and (E) Compliance Filings.