

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Valerie Means	Commissioner
Matt 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 Gas 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**

**MINNESOTA SOLAR ENERGY
INDUSTRIES ASSOCIATION’S
(MnSEIA) COMMENTS**

July 1, 2020

Docket No. CI-02-2034/M-12-383

MnSEIA’s COMMENTS

The Minnesota Solar Energy Industries Association (MnSEIA) is a 501(c)(6) nonprofit trade association that represents our state’s solar businesses, with over 110 member companies, which employ over 4,000 Minnesotans.

BACKGROUND

In December, 2019 Xcel Energy (“Xcel” or “the Company”) received over one hundred interconnection application Complaints through the Consumer Affairs Office that were initiated by a solar installer. The installer was a designated Application Agent for various interconnection customers, as per Minnesota Distributed Energy Resources Interconnection Process (MN DIP) guidelines.

These complaints put Xcel above a customer complaint performance threshold determined in the Quality of Service Plan (QSP) tariff, which compels a \$1 million penalty for underperformance. The Company requested on May, 1, 2020, that the Commission find that 129 of the complaints submitted to the Commission's Consumer Affairs Office (CAO) should not be counted in the Customer Complaints metric in its Quality of Service Plan (QSP) tariff.

COMMENTS

The Complaints at issue here are symptomatic of Xcel Energy's broken implementation of the MN DIP. The Complaints actually underrepresent the industry's frustration with the Company's **consistent violations of MN DIP**, rather than represent a single, outlier installer. We have done an informal survey of our membership, and thus far we have eleven developers that have reported over 100 MN DIP tariff violations.

Other installers and developers that have not filed complaints with CAO have chosen to send us their grievances instead. Many of them have expressed to us concerns about potential retaliatory actions in the form of further delays, increased costs, or other tariff violations, were they to file Complaints with the CAO or directly with the Commission. There are others that have informed us verbally about MN DIP violations, but did not fill out our internal complaint form.

As a question of law, the Complaints made by the representatives of distributed generation customers are as legitimate as those made by any other customer. The quality of interconnection services is no less important to the utility's overall QSP tariff. These Complaints should neither be dismissed nor segregated in a different tracking mechanism.

Rather than investing the necessary resources into interconnection staff and software, Xcel has slow-walked implementation and minimized criticism in less formal venues than this one. The Company now seeks to set aside the installer and customer community's tool of last resort, the CAO Complaint. Were the Commission to grant Xcel's requests, it would leave little recourse for the solar installers and developers to hold the utility accountable to its contractual obligations. Distributed generation customers would have no viable recourse for infractions of the sort filed with CAO.

Instead **the Commission should find Xcel Energy in violation of its QSP tariff**. The Company itself has illustrated that it would not be, **but for its consistent violation of the MN DIP**.

In further corrective action, the Commission should **reconsider MN DIP** for areas of improvement. The needed improvements include: 1) timelines shortened to adhere to national norms; 2) abolition of interconnection processes outside of MN DIP; 3) "On Hold" status banned for Simplified Applications; and, 4) the use of cluster studies whenever possible.

If the Commission finds that improvement of MN DIP is outside the scope of this docket, then the Commission should, at minimum, **require Xcel Energy to make the necessary investments in staff and software to meet its MN DIP obligations**—and thereby meet the standards of the QSP tariff.

Surveys of MnSEIA members indicate that the industry has lost more to the Company’s delays than even the fine Xcel faces for violation of its QSP tariff. **We believe that an additional financial penalty of 1.3¢/kWh, which is based on an estimate of the harm done to the average array on a per/kW basis, should be assessed to the utility and dispersed among the impacted customers.** Our backing for this assertion will be filed concurrently with these comments as a separate spreadsheet denoted as Attachment 1.

I. The Commission Should Not Set Aside These Complaints

The Commission should not grant Xcel Energy’s requests to dismiss, or track separately, the Complaints made by solar installers on behalf of Xcel customers. First, those Complaints meet the tariff definition of “Customer Complaints,” and therefore merit inclusion in the QSP metric. Second, solar installers and developers, who manage and helped create the MN DIP process, are most familiar with its norms, and are in a better position than the customer (as Xcel seeks to strictly define the term) to report violations of those norms. Third, the state directs DER customers to the CAO Complaint process, and Xcel has shown no compelling policy reason for different treatment of those customers.

Logic, efficiency, and sound public policy dictate that these Complaints remain where they are, and that the Commission direct the Company to take corrective action consistent with any other Customer Complaint.

A. These Complaints meet the QSP tariff definition of Customer Complaints

Xcel argues that the 129 Complaints by the solar installers should be set aside from the QSP count because they do not meet the definitions of either Customers or Customer Complaints.¹ This argument ignores the representative nature of the relationship between installer, customer, and the Company:

The QSP tariff defines “customer” for the purpose of measuring customer complaints as an “electric or natural gas customer that receives a bill for utility service or the customers’ representative.” A representative is

¹ COMPLIANCE FILING - ANNUAL REPORT AND REQUEST OR COMMISSION FINDINGS REGARDING THE CUSTOMER COMPLAINT PERFORMANCE SERVICE QUALITY PLAN, XCEL ENERGY, Docket No.E,G002/M-12-383, Doc. Id 20205-162847-01 at 16 (May 4, 2020) [hereinafter *Xcel Filing*].

*defined as “an individual designed with Power of Attorney for the customer, an attorney retained to represent a customer or an **individual authorized by the Customer to act on their account.**” A “customer complaint” is one where “the customer states a grievance related to the Company’s provision of service to that customer.”*

As the Company acknowledges,² MN DIP 1.3.2 allows an Interconnection Customer to authorize an Application Agent to act on their account in order to navigate the MN DIP application process: “The Interconnection Customer may designate, on the Interconnection Application or in writing after the Application has been submitted, an **Application Agent to serve as the single point of contact** to coordinate with the DER Interconnection Coordinator on their behalf.”³ Furthermore, the MN DIP Glossary of Terms envisions the Application Agent to take over almost the entirety of the process: “Applicant Agent – A person designated in writing by the Interconnection Customer to represent or provide information to the Area EPS on the Interconnection Customer’s behalf **throughout the interconnection process.**”⁴ The designation of an Application Agent is so common to the interconnection process that the Simplified Process Application includes a line for the “Application Agent / Company” and their/its contact information within the block of the “Interconnection Customer/Owner.”⁵

While the Complaints at issue in this docket concern rooftop projects, it is worth noting that for Community Solar Garden projects, the representative relationship between developer and customer is even closer. In those cases the customer is the Garden, which has an even more clearly delineated principal-agent relationship with a solar developer.

B. Solar Installers are best able to recognize and report Quality of Service concerns with Interconnection

If the MN DIP so thoroughly assumes that an Application Agent should handle the complexities of the interconnection process, then the Application Agent should report Complaints of Xcel violations of that process to the CAO. Solar installers and developers are more familiar with the rules and norms of the MN DIP than their customers, and in some cases helped create and refine the MN DIP through Commission-authorized working groups.

The state requires contractors with certain qualifications (including licensed electricians on site) to perform the engineering, procurement, and construction of complex solar installations, and assumes that those companies will also represent DER customers to the utility. No one from the

² Xcel Filing at 16.

³ MN DIP 1.3.2.

⁴ MN DIP, Glossary of Terms, emphasis added.

⁵ MN DIP, Attachment 2: Simplified Application Form.

Company, the Commission, or the solar industry expects Xcel “Customers” (as the Company would seek to circumscribe that group) to, on the one hand, manage the bureaucratic portion of the interconnection process, but, on the other hand, contract professionals for the installation. Those most familiar with interconnection—those whose business it is—should, and do, manage the process from beginning to end. If any meaningful portion of the applications for DER were not managed by an Application Agent, we would urge the Company to provide examples to support its argument.

By its assertion that the Complaints in question are not really “Customer Complaints,” Xcel advocates for illogical and burdensome public policy. That assertion implies that either the owners of the DER systems should themselves report Complaints to the CAO, or are somehow not customers deserving of quality service. The owners of these systems do not have detailed knowledge of the process, but they have in fact contracted for that knowledge by hiring a solar installer.

A MnSEIA member forwarded to MnSEIA staff the text of a recent Complaint to the CAO, which was made in the shadow of Xcel’s filing. The context around this Complaint illustrates the illogic and inefficiency of Xcel’s position, that customers themselves file Complaints with the CAO:

My solar electric system installation has been "On Hold" for over 2.5 months!

Our application at 3434 Lexington, OID#03535332, was put On Hold on 4/08/2020. It has been much more than 21 working days since that happened.

The supposed reason for being on hold is one other system in the queue of less than 20kW ahead of your application based on the date of "Completeness".

The application was begun in the last week of January. It took until 4/8/2020 to achieve "completeness".... it seems like this is a very unreasonable amount of time.

**** The Xcel Hosting Capacity Map indicates there is greater than 1,000 kW of hosting capacity at 3434 Lexington.****

Xcel is unwilling to review a total of 2 systems with a combined capacity of 45 kW on a feeder with over 1,000 kW of hosting capacity at the same time. This seems like an excuse rather than a justifiable reason.

That burden on customers will lead to more frustration, possibly even more Complaints, and yet still requires the participation of a person with knowledge of the MN DIP. How this Complaint came about demonstrates that Xcel's insistence that customers themselves file CAO Complaints is absurd.

On May 6, 2020, an employee of a MnSEIA member company, who had read the Company's recent QSP Compliance Filing, suggested to the frustrated owner of the solar installation that *he* make the above complaint instead of the installer. Without detailed knowledge of the problem to fill out the "Complaint Details" portion of the form himself, the owner relied on the installer, who described Xcel's violation of the MN DIP. The quoted text above is verbatim, with changed pronouns, the text the installer used to describe the problem to the owner. In short, the installer ghost-wrote the Complaint anyhow, because the content is quite complex for a standard customer to argue on their own. Xcel's suggestion is inefficient and burdensome to customers.

The owner, who is frustrated now by the Complaint process *and* by what led to it, has reportedly contemplated suggesting to the general contractor of the overall project and the bank financing it that *they also* make CAO Complaints. Xcel's suggestion may be counterproductive to its goals, and only create further dissatisfaction with its Quality of Service, which would result in more CAO Complaints.

Xcel's implication that system owners, rather than Application Agents, make Complaints about MN DIP violations and abuses has, *in actual practice*, led to more frustration in those seeking redress for their grievances—and possibly, even more Complaints to the tally.

It does not follow that Application Agents lose authority in the MN DIP process suddenly at the point when a Complaint about that process arises. Those same solar installers regularly interconnect with other Minnesota utilities, and in some cases participated in the rulemaking and working groups that created the MN DIP. For the same reasons that sound public policy supports professional management of interconnection on behalf of account holders, it supports the notion that those professionals log Complaints about interconnection with the CAO.

II. The Solar Installers' CAO Complaints Serve Their Intended Purpose, But Only If The Commission Takes Further Corrective Action

Complaints to the CAO are one of the only venues where customers can voice grievances with an electric investor-owned utility in Minnesota. It is not possible to "vote with one's wallet" by choosing another electric service provider for one's home or business (due to their monopoly

status), and a distributed generation customer should not be faulted for balking at a costly civil suit or a lengthy Minn. Stat. §216B.164, subd. 5 PUC dispute over quality of service for interconnection. MnSEIA's understanding is that the State of Minnesota has in fact encouraged frustrated distributed generation customers to make Complaints to the CAO, as opposed to the Department of Commerce or the Attorney General's Office.

The facts of this docket make it clear that CAO Complaints are the most effective way to urge a utility to rectify bad customer service—here, Xcel's implementation of MN DIP. The Company has attempted to show, as it must show in the QSP, that it has taken actions to rectify Complaints, regardless of its thoughts on the validity of the Complaint or the complainant.

A. Facts of the Complaints

Xcel notes that 72 of the Complaints were identical except for the listing of different customer accounts, and points to an uncorrected “system enhancement from the MN DIP”⁶ when the system went live as the reason behind them. The Company's system sent an automatic email that requested the installer to move an application forward in the electronic portal system, when it should have sent a Permission to Operate letter. The Company notes that in fact these systems were live and operating when the erroneous emails went out, and that manual corrections of the system—by sending Permission to Operate (PTO) letters—took place. Xcel also claims that the automated system has since been corrected.

Xcel states that 38 of the complaints related to portal issues, which delayed the installation of meters, required manual corrections by Xcel staff.⁷ The Company also claims that these issues have since been corrected.

Xcel also states that 18 of the complaints arose from engineering delays that resulted in Xcel missing deadlines without providing an extension notice to the applicant,⁸ as required by its own tariff. Xcel has not asserted that these delays have been rectified, or that any recompense has been offered to those affected.

B. The Company's Response to the Complaints Demonstrates the Need for Them

The Company asserts that every CAO complaint from this installer has been resolved, and has in some cases resulted in adjustments to its processes. The Company claims in its May 1, 2020 compliance filing that the online portal software has been tweaked to send PTO letters immediately following interconnection, moved the meter ordering step to earlier in the process,

⁶ *Xcel filing* at 11.

⁷ *Id.* at 12.

⁸ *Id.* at 12.

and resolved “interface problems” that result in erroneous incomplete steps in the portal system. Furthermore, Xcel has begun to notify installers when an engineering deadline will be missed, and estimate needed extensions—as contemplated by the MN DIP process, which went into effect months before, on June 17, 2019.

The fact that these corrections to the system took place only after 129 complaints were submitted to the CAO suggests that the complaints spurred the Company to action in a way that its internal troubleshooting and quality control procedures could not or did not.

In the instance of the 72 complaints submitted by the solar installer that the Company categorized as “portal errors,” identical in all respects except for the customer accounts, the Company excuses the errors by way of admitting that the software for the portal was not yet ready to conform to MN DIP standards. In its compliance filing in this docket, the Company states that the “short time frame [18 months] between MN DIP approval and launch” led to an interim six-month online interface, and then the launch of an online portal on December 9, 2019—shortly before the solar installers complaints were submitted.⁹

A rushed or incomplete launch of the customer portal caused, “these identical complaints [, which] were a result of a system enhancement from the MN DIP that was not fully corrected when the portal went live.” The resulting error caused requests for actions from the installer, instead of the generation of a Permission to Operate letter.¹⁰

Many of these Complaints would likely not have been filed had the Company not launched faulty software, which was effectively beta tested on installers, during the last month of the year, when installers were busy applying for the last funds available in that year’s Solar*Rewards program. The delays caused by the decision to roll out incomplete software—and the **lack of resources invested in applying the MN DIP on time**, in June of 2019—may have cost Xcel’s customers (as Xcel would strictly limit the term) hundreds of thousands of dollars.

III. Xcel’s Quality of Service For Interconnections Is Even Worse Than What These Complaints Capture; Problems are Industry-Wide

Xcel argues, in essence, that the 129 complaints in December of 2019 *overrepresent* Complaints from the solar installer community, because a single installer filed 128 of these Complaints. MnSEIA believes, to the contrary, that these *underrepresent* the scope of problems related to interconnection. The Complaints undersell the scope of the problem, because they are a drastic step that installers and developers fear could result in retaliation. Other installers and developers

⁹ *Id.* at 11.

¹⁰ *Id.* at 11.

have refrained from making formal Complaints to the CAO, even though they regularly grapple with Xcel’s poor interconnection service.

A. Formal Complaints to the CAO are a last step that installers and developers are reluctant to take

Even though Complaints to the CAO are the recourse preferred by state policy, and even though these Complaints have produced *some* results, solar installers might understandably be reluctant to create a formal enmity between themselves and a utility that they must do business with on a regular basis. MnSEIA member companies have conveyed a belief to MnSEIA staff that installers and developers that “create problems” for Xcel may face retaliatory conduct. Unlike the purely load customers that make up the bulk of complainants in the QSP tally, and against whom it is unlikely that the utility could retaliate, representatives of distributed generation customers fear that their livelihoods could be harmed by retaliation.

We want to be clear that *we do not accuse Xcel of retaliatory conduct*, but we think it important to highlight the concerns of our members. The Commission should recognize that fear of retaliation—well-founded or not—would dampen the willingness of installers and developers to come forward with a formal Complaint.

This fear of retribution may extend to other stakeholder processes, which Xcel characterizes in its compliance filing as non-confrontational. Not surprisingly the Company paints the Complaints as out-of-step with the rest of the industry: “Prior to the December complaints, we heard minimal concern from the other (approximately 370) installers who participate in our Solar*Rewards program regarding our lack of responsiveness to any communications, **even during regular stakeholder and education forums.**”¹¹

Those educational forums do not face formal scrutiny by the Commission, and do not wield the same corrective power as QSP compliance. They are not meant to be a forum for installer complaints, and, in MnSEIA’s opinion, Xcel’s mild responses to criticism there underscore that characterization. A confrontational stance from a solar installer there would (and does) serve little purpose, because these forums are marketed as educational opportunities, not times for grievance. Moreover, those stakeholder and education forums—and the working groups deputized to settle interconnection issues and processes—offer no tools for correction.

The solar installer that logged 128 Complaints with the CAO does not represent an outlier to be discounted. Rather they are the first solar installer to have reached a boiling point where the need

¹¹ *Xcel Filing* at 11, emphasis added.

to seek corrective action under the eyes of the Commission outweighed the perceived risk of retaliation.

B. MnSEIA Members have more Complaints to make

Through an informal, initial survey of membership, MnSEIA has collected over 100, and counting, potential complaints from eleven different solar installers or developers. We believe that these figures under-represent the delays and impacts on the industry, even while they illustrate a more systemic problem than the Complaints at issue. Several developers have only included a handful of their complaints. Still others have faced similar challenges, but have not yet provided us with documented tariff violations. For illustrative purposes we will continue to track complaints until the hearing date.

While the form used to collect these potential complaints closely follows the CAO portal for actual complaints, these complaints have not been submitted to the CAO. MnSEIA and our members sought to give deference to this docket and the PUC process in lieu of inundating the CAO with grievances. Nonetheless, the breadth of issues laid bare by these stories reveals a broad, systemic problem with the Company's quality of service for DER customers.

By the Company's categorization, about a third of these instances would be classified as "portal errors," and another third as "engineering delays," mostly within the Solar*Rewards program. Dozens are specific to Community Solar Gardens, or what the Company calls the Solar Rewards*Community (SRCMN) program, which led to On Hold and other status errors, erroneous In Service Date (ISD) delays, and other process errors distinct from the "portal errors" described by the complaints leading to Xcel's compliance filing.

The specifics vary with each potential complaint that MnSEIA has collected in this informal survey, but the frustration felt is universal—even from MnSEIA members that did not submit potential Complaints in our survey. What follows is an anonymized selection of quotations from what would appear in the "Complaint Details" portion of these instances, were they to be reported to the CAO:

*Application XXXXXXXX was delayed in the completion review and initial engineering review. Both times a message was sent out apologizing for the delay and stating that the review will be completed in 5 additional business days. **Both 5 business day extensions were also surpassed.** This was on top of delays we faced with a faulty Load Analysis Form that was provided to us in order to pass the 120% rule. **The customer for this project ended up canceling the contract** mostly due to our inability to commit to a firm install date. This inability is entirely due to the fact that*

*we cannot take the MnDIP process timeline as it is written. **When milestone deadlines are consistently missed, extended, and extensions are missed, there is no consistent timeline that we can expect.** These delays compounded with the application system glitches, inconsistent support responsiveness, faulty forms, etc. lead to a significant delay in a project's timeline, that is mostly outside of the developer's control. More attention and care needs to be given by the utility to the solar programs and their processes.*

*This delay moved witness/acceptance testing into the winter, where low sun angle, extra snow removal costs, and Xcel Energy's absolute insistence on only offering us time slots for testing in the early a.m. hours of this already tough time of the year **cost us, our customers and our EPC several tens of thousands of dollars additional to the \$100,000+** in delay costs for Xcel's initial delay of the ISD.*

This inability of Xcel Energy to verify the information in their own portal and act accordingly delayed our Interconnection process for The XXXXXXXX CSG by several months. [The developer] would like Xcel Energy to ensure prompt communication with the developers following execution of an Interconnection Agreement.

Xcel did not comply with MNDIP timelines.

*We [a Community Solar Garden] are on hold behind 4 resi simple applications totalling 21kW. I don't know the exact resi timelines, but based on the first project being deemed complete [in February] to IA (today) it looks like **4 months**, so this would push the Spring IA out until late next year.*

This project had completed the estimated timeline Xcel provided in order for their teams to complete this Study phase [in the winter months of

2020], it was placed into status "On Hold/Sequential Review" on [a date in late February], **the day we were supposed to receive the results**. Once it is removed from the indefinite 'Hold' that it is in, it may have to **go through this review process again** since they never formally sent us our finished results.

Failure to meet milestone deadline for application XXXXXXXX. Missing milestone deadlines is one of multiple issues that are extending the time applications are in review. Delays in the interconnection review **impact our company's ability to accurately portray timelines to our customers and effectively manage our construction schedule and cash flow**. More attention and care need to be given by the utility to the solar programs and their processes.

XXXXXXXX Garden, which originally passed Supplemental Review, was a week later noted to have failed Supplemental Review causing it to require a System Impact Study. What we have seen is several gardens **passing Supplemental Reviews by one engineer to fail by another engineer** week(s) later.

Tariff says Xcel has 10 business days to conduct the witness test or they waive the right. We provided them with the required final documentation on [a date this Spring] for them to initiate this process. We emailed Xcel as well and asked them to order the meter. Xcel said the meter would be ready [4 days after the final documentation was provided] and therefore we could schedule the witness test. As of [11 days after the due date] the meter is still not ready and we cannot schedule the witness test as a result.

Got an official **permission to operate email** from Xcel stating "this system had meters installed and is ready to energize." Meters were not actually installed yet and witness test had not been done yet.

Xcel email to customer says all signatures have been received, Xcel portal says signatures still needed, couldn't move forward without sending screenshots to [Xcel employee] and he worked on it and resolved it.

*Xcel poorly implemented their new software and project management system and effectively **allowed developers to be the beta testers** which has resulted in significant delays to project applications being processed in a timely manner, thereby causing economic harm and substantial risk to developers.*

***Xcel is the only utility that I work with where I have to contact two different teams within the utility.** Normally I have just one contact point. The first time I had to interconnect a project with Xcel this did confuse me. I would say that this part of the process [ordering meters] could be smoothed out by only having to work with the Xcel Solar Rewards team for scheduling witness testing.*

*After spending days working through Xcel Energy's multiple steps and signatures required **PRIOR and IN ADDITION to MNDIP/MNDIA**, customer/Application Agent is unable to upload engineering documents and pay fee to begin Fast Track process. Xcel's response to an email notifying them of the problem is that they need us to wait for them an additional 3 business days (5 calendar days with the weekend) before we can begin the process. This delay, in addition to other Xcel Energy **pre-process requirements**, adds days and weeks of uncertainty to projects, thereby imposing unreasonable and unforeseeable cost and risk upon customers/installers.*

We would like for Xcel Energy to be held more accountable for their failures in communication and for there to be better recourse for correction and financial reparations.

The developer quoted last in the series above neatly summarizes the frustration of many solar installers and developers working in good faith to interconnect Xcel's customers. While most of the issues highlighted here are subject to improvement through working groups and filings in both dockets 16-521 and 13-867, the issue at hand in this docket is the Company's accountability to its DER customers.

As some of these potential Complaints demonstrate, the corrective actions Xcel claims to have made to fix the problems of the original Complaints at issue **have not solved the problems, and in some cases have created new ones**. These potential Complaints show that Xcel abuses and manipulates MN DIP through arbitrary interpretations, and impedes customer access to a transparent and fair process.

The Company, apparently, gives this poor Quality of Service to DER customers without fear of reprimand. It has been a year since MN DIP went into effect, but given its filings in this docket and our internal survey, it appears Xcel would prefer to dodge accountability rather than fix the underlying problems. The CAO remains the most accessible recourse for correction, but only if the Commission holds Xcel to account.

C. A Matter of Public Policy

COVID-19 is devastating the Minnesota economy. The solar industry, especially those segments reliant on regular consumers, is not immune from that devastation. Xcel's reticence to interconnect DER customers quickly and fairly makes a tough situation even tougher.

While the announcement Xcel made in MPUC Docket No E,G999/CI-20-492 is magnificent in totality and will certainly benefit the solar industry, the benefits will come next year—and mostly not to the consumer-oriented, distributed generation sector.¹² Rather, the sector of the solar industry that will benefit most from this announcement will be the one that will most benefit the shareholders of the Company. Meanwhile, the Company is harming the customer-focused distributed sector of the industry by way of an unnecessarily grueling interconnection process.

These same distributed generation projects, if permitted to be installed in the time period contemplated by the MN DIP, would yield near-term jobs. They would yield jobs this summer—instead of the summer of 2021, which seems to be their current pace. People need these jobs now to weather the virus's impact on their small businesses. One of the best things the Commission could do for the solar industry at this time would be to **require Xcel to improve its interconnection process**—and to comply with its own tariff. **Xcel must make the necessary**

¹² See COVID-19 RELIEF AND RECOVERY REPORT, Xcel Energy, Docket No. E,G999/CI-20-492, Doc. Id. 20206-164070-01 (June 17, 2020).

investments in staff and software to meet its MN DIP obligations and there must be future accountability to ensure that those tariff deadlines are met.

It is also a matter of public policy that we request that the Commission also consider **an additional financial penalty of 1.3¢/kWh that would be assessed to the utility and dispersed among the impacted customers.** This figure is based on MnSEIA member estimates of the harm done to the average array on a per/kW basis.¹³ As the federal investment tax credit steps down, projects have become more expensive—and, but for Xcel delays, those expenses would not be incurred. Other costs include new challenges with procuring modules and other equipment during this pandemic and economic recovery, losing entire projects due to projects being pushed into permitting delays, general development costs, paying staff on a weaker cash flow, and interest on the refundable deposits. Only some of those other costs are even included in the 1.3¢/kWh penalty number. The industry as a whole and the customers that our members serve have borne the brunt of Xcel’s interconnection shortfalls, and deserve recompense as a matter of public policy.

IV. Conclusion

The Commission **should not grant Xcel Energy’s request** to dismiss or set aside in another track these or further Complaints from solar installers. Those Complaints are as legitimately “Customer Complaints” as those from other Xcel customers. The Company’s Quality of Service Plan tariff allows for representatives of account holders to act on their behalf. Solar installers and developers initiate that agent-principal relationship as Application Agents for Xcel customers through the MN DIP. Because the Complaints at issue are about MN DIP violations, the same Agents are, and should be, empowered to log the relevant Complaints.

The Company’s response to Complaints demonstrates that, while they are a venue of last resort for installers and developers, they spur Xcel to corrective action in a way that working groups, educational forums, and its internal quality control processes do not.

Nonetheless, the incompleteness of Xcel’s responses to those Complaints and the myriad Complaints waiting in the wings demonstrate the need for the Commission to step in with corrective action to fix the Company’s Quality of Service for its solar customers.

At minimum, the Commission should **require Xcel Energy to make the necessary investments in staff and software to meet its MN DIP obligations.** The problems MnSEIA members have conveyed about Xcel’s implementation of the MN DIP are not in the quality of its staff, who are often reasonable and responsive, but in their numbers and institutional guidelines.

¹³ See MnSEIA Attachment 1.

The MN DIP itself also merits improvement. Timelines are **much longer than national norms** for solar installations, particularly simple rooftop projects. Xcel also applies **interconnection processes outside of MN DIP**, notably an unnecessary period to check for rebate eligibility, even when installers and developers know exactly which rebates are targeted upon initiating an application. The “**On Hold**” status, while it might be appropriate—when not abused—for larger Community Solar Garden projects, is in no way appropriate for the Simplified Applications used for most rooftop installations. Additionally, Xcel should use **cluster studies** to evaluate system impacts whenever possible—and those would become more possible with needed investments in staff, software, and processes.

Lastly, the Commission should consider the adoption of a **1.3¢/kWh financial penalty** that should be dispersed to impacted customers to help mitigate the average harm that the utility’s delays have caused.

V. Example MnSEIA Decision Options

1. Deny Xcel Energy’s request to dismiss or set aside in another track these or further complaints from solar installers.
2. Require Xcel Energy to make the necessary investments in staff and software to meet its MN DIP obligations.
3. Initiate a reinvestigation in MN PUC Docket 16-521 into whether the timelines for projects are an appropriate length.
4. Require Xcel Energy to implement cluster studies to eliminate the need for On-Hold status in simplified projects.
5. Require Xcel Energy to pay an additional financial penalty of 1.3¢/kWh, which is based on an estimate of the harm done to the average array, to all the impacted DER customers.

--

David Shaffer, esq.
Executive Director
MnSEIA
612-849-0231
dshaffer@mnseia.org

Peter Teigland, esq.
Policy Associate
MnSEIA
612-283-3759
pteigland@mnseia.org