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PUBLIC UTILITIES COMMISSION

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August 1, 2022

In the Matter of Northern States Power Company dba
Xcel Energy-Electric's Revised Tariff – filing establishes
standards and operation of Distribution Interconnection
Process (DIP) and Distribution Agreement (MN DIA)

Docket No. E002/M-18-714

COMMENTS OF FRESH ENERGY

Fresh Energy submits these reply comments in response to the Commission's June 17, 2022, *Notice of Extended Comment Period* regarding Xcel Energy's Cost Sharing Implementation Plan and Tariff Interconnection Standards for Distributed Generation. We provide the following comments in response to All Energy Solar and the Department of Commerce, as well as discuss the refundability of the program fee.

Response to All Energy Solar

A. Reporting Requirements

In initial comments, All Energy Solar (AES) recommended the following reporting requirements be included in Xcel's future reports on the Cost Share Program:

- Program performance
- Impact of the cost share program on timely completion of process steps¹

We support the above reporting requirements and recommend they be included in future reports. It will be important for the Company to evaluate how the program performed in its initial phase of implementation and suggest potential modifications to address issues. We also think the inclusion of the impact of the program on the timely completion of process steps will be useful to understand how the Cost Share Program is affecting the existing timelines of interconnection more broadly.

¹ All Energy Solar, [Initial Comments](#), July 21, 2022, Docket No. E999/CI-16-521, p. 2

B. Itemized Cost Breakdown and Construction Timelines

Additionally, AES recommended the following in relation to extra costs associated with upgrades and the ability for the customer to choose when to move forward with construction:

- Any tree trimming, traffic control, restoration, winter construction, etc. that may be necessary as part of the upgrades should be presented in an itemized breakdown of the facility upgrade costs.
- Within reason, the interconnecting customer or applicant agent has the right to request when the construction of facilities take place. For example; if the facilities study was completed in the winter, the customer could request non-winter construction to avoid the additional costs.²

We support the above recommendations from AES, as these will enable the customer to better understand what services are required as part of their upgrade and allow for the customer to avoid extra charges of winter construction should they prefer to wait.

Response to the Department of Commerce

In initial comments, the Department recommended the following list of reporting metrics be included in Xcel's future reports on the Cost Share Implementation Plan:

- The number of interconnection applications less than 40kW deemed complete
- The total amount of fees received
- The number of projects with interconnection costs paid by the fund, and the interconnection costs from those projects
- The number of projects for which funds were not available, either in whole or in part, the amount of fund shortfall, and whether the customer chose to withdraw the project or pay the shortfall amount
- The number of projects reaching the cost cap of \$15,000
- An evaluation of the whether an adjustment to the \$200 interconnection fee is warranted

We support the above reporting requirements recommended by the Department and also recommend they be included in Xcel's future reports on the Cost Share Program.

Refundability of the Fee

In our original Cost Share Proposal submitted on August 25, 2021, we discussed the option for customers to receive a full refund if they cancelled or withdrew their project before signing the

² Id., p. 1

interconnection agreement.³ After our stakeholder meetings with Xcel to discuss the implementation of the cost share program, we understand that it is an administrative burden on the Company to administer refunds for the cost share fee due to the frequent fluctuations of funds in the account.

The issue of refundability of the cost share fee is complex and challenging to suggest alternatives without seeing how the program runs in practice. We recommend the program allow the option for the customer to receive a refund up until the point in which their application is Deemed Complete. However, should the Commission decide that refunds cannot be allowed under the parameters of the program and the MN DIP process more broadly, we understand and support that conclusion.

Conclusion and Recommendations

We offer the following recommendations on Xcel's Cost Share Implementation Plan:

Reporting Requirements

In addition to the reporting requirements we recommended in our initial comments, we recommend Xcel also include the following in future reports on the Cost Share Program:

- The number of interconnection applications less than 40kW deemed complete
- The total amount of fees received.
- The number of projects with interconnection costs paid by the fund, and the interconnection costs from those projects.
- The number of projects for which funds were not available, either in whole or in part, the amount of fund shortfall, and whether the customer chose to withdraw the project or pay the shortfall amount.
- The number of projects reaching the cost cap of \$15,000.
- An evaluation of the whether an adjustment to the \$200 interconnection fee is warranted.
- Program performance.
- Impact of the cost share program on timely completion of process steps.

Itemized Cost Breakdown and Construction Timelines

- We recommend any tree trimming, traffic control, restoration, winter construction, etc. that may be necessary as part of the upgrades should be presented in an itemized breakdown of the facility upgrade costs.
- We recommend the interconnecting customer or applicant agent has the right to request when the construction of facilities take place.

Refundability

- We recommend the program allow for the customer to receive a refund if they cancel or withdraw their application before the project is Deemed Complete

³ Fresh Energy, All Energy Solar, and TruNorth Solar, [Interconnection Cost Sharing Proposal](#), August 25, 2021, Docket No. E999/CI-16-521, p. 4

We thank the Commission for the opportunity to provide comments on the Cost Share Plan.

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