STATE OF MINNESOTA BEFORE THE PUBLIC UTILITIES COMMISSION

Katie J. Sieben Dan Lipschultz Matthew Schuerger Valerie Means John Tuma Chair Commissioner Commissioner Commissioner

In the Matter of Xcel Energy's 2019 Distribution System Hosting Capacity Study Docket No. E002/M-19-685

REPLY COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC. ON XCEL ENERGY'S 2019 HOSTING CAPACITY ANALYSIS

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I. Introduction

In response to the Commission's November 15, 2019 Notice of Comment Period on Xcel Energy's 2019 Distribution System Hosting Capacity Analysis Report (Xcel's 2019 HCA)¹, and the subsequent December 12, 2019 notice extending the comment deadline, the Interstate Renewable Energy Council, Inc. (IREC) hereby submits these comments.

There are three key points that IREC would like to emphasize in this reply. More frequent updates and more granular results are crucial improvements that will go a long way towards making the HCA a valuable starting point for interconnection applicants.² In opening comments, stakeholders supported more frequent updates to Xcel's HCA and IREC proposed monthly updates that incrementally trigger the publication of new HCA data only when system conditions change.

Next, Xcel's 2019 HCA does not meet the Commission's clearly articulated standard for data redaction. Xcel fails to publish peak load data in violation of the Commission's order and fails to provide a specific basis to withhold other HCA data. The Department of Commerce (Department) supports Xcel's proposal to withhold data that could help customers install more distributed energy resources without providing any adequate legal or policy basis for its conclusions.

Finally, Xcel uses technical assumptions, limiting criteria, and thresholds in its 2019 HCA that would benefit from further stakeholder review. The Department's comments cite the need for additional stakeholder input. The Commission should establish a process to oversee this

¹ Xcel Energy, Dkt. E002/M-19-685, Distribution System – Hosting Capacity Analysis Report (Nov. 1, 2019).

² Dkt. E002/M-19-685, Comments of the Interstate Renewable Energy Council, Inc. on Xcel Energy's 2019 Hosting Capacity Analysis (Dec. 30, 2019) (IREC Opening Comments).

review and then issue an order setting appropriate technical assumptions, limiting criteria, and thresholds.

II. The usefulness of Xcel's HCA is very limited without monthly updates.

The Department notes that Xcel's annual "HCA is not sufficient to provide developers

with a starting point for interconnection applications," because it is often out of date.³ Indeed,

monthly updates would reduce a primary source of error Xcel identified in its report and ensure

that the HCA reflects recent changes to the configuration of Xcel's system.⁴

All the stakeholders that commented on the HCA agree that Xcel should update its HCA

more frequently. The Department notes that

the second most requested feature of the HCA is monthly updates. As it stands, Xcel is only performing the HCA once a year. This is an obvious limitation to the utility of the HCA. [¶] The Department requests that Xcel develop a proposal to provide monthly, quarterly, and semi-annual updates to the HCA in reply comments \dots ⁵

Fresh Energy also requests more frequent updates to the HCA.⁶ Xcel should make its HCA

useful as a starting point for interconnection applications by performing monthly updates.

III. Xcel fails to address the Commission's standard for withholding HCA data from publication.

Xcel's 2019 HCA does not supports its request to withhold large swaths of HCA data.

The Department relies on Xcel's unsupported claims, while IREC's opening comments provide a

thorough critique of the basis for Xcel's data redaction practices.⁷

³ Dkt. E002/M-19-685, Comments of the Minnesota Department of Commerce, Division of Energy Resources at 26 (Dec. 30, 2019) (Department Opening Comments).

⁴ Xcel's 2019 HCA, Attachment A, at 25.

⁵ Department Opening Comments at 26 (emphasis omitted).

⁶ Dkt. E002/M-19-685, Comments of Fresh Energy at 5 (Dec. 30, 2019).

⁷ IREC Opening Comments at 17-29.

A. Withholding peak load data does not make the grid safer.

For example, the Department supports Xcel's decision not to publish peak load data in direct contravention of the Commission's 2018 HCA Order.⁸ The analysis supporting the Department's conclusion includes a description of Xcel's claim that stakeholders do want to see the data (which is not a valid rationale for disobeying the Commission's order and is also untrue⁹), a quote from Xcel's report containing broad and generalized claims of a security risk, and a conclusion accepting Xcel's broad and generalized claims of a security risk.¹⁰ Based on the data and arguments the Department cites, IREC does not understand how the Department can support withholding peak load data.

IREC takes grid security seriously and would not support the publication of data that puts customers or the grid itself at greater risk. Yet neither the Department nor Xcel apply any known or demonstrable standard for how to determine the risk associated with publishing this data, nor do they explain how withholding this data would make the system safer. Xcel has not shown that publishing peak load data would appreciably increase the risk of an attack. Information identifying large energy users is already publicly available, and one can determine which campuses, buildings, and structures use significantly more energy than others by common sense alone and/or by accessing public information. For example, someone could determine which campuses, buildings, and structures use more energy than others by moving around a service territory, reading local periodicals' description of industrial activity, or looking at public aerial photographs. Xcel does not explain how knowing exact peak load data would substantially

⁸ Department Opening Comments at 11-12; Order Accepting Study and Setting Further Requirements, Dkt. E-002/M-18-684, at 14 (Aug. 15, 2019) (2018 HCA Order).

⁹ IREC Opening Comments at 22-24.

¹⁰ Department Opening Comments at 12.

increase the risk to the grid any more than a bad actor knowing generally which feeders have higher loads. Further, peak load data by feeder and substation is published by utilities that serve states across the country.¹¹ Based on the information presented to date in comments, Xcel has not met its burden of proof to justify its position to redact this information. In addition, Xcel has not shown how withholding peak load data outweighs the benefits to customers of having access to information for the siting of DERs.

B. Xcel fails to provide a specific basis for withholding other HCA data.

The Department also supports Xcel's decision to withhold HCA data based on Xcel's customer privacy and security concerns.¹² But Xcel fails to meet the Commission's requirement to provide a "*specific basis* for withholding the information,"¹³ and the Department appears to conflate customer privacy and security concerns. For example, the Department's description of Xcel's reasoning comingles the rationales used to support withholding customer energy use data (CEUD) for customer privacy concerns and withholding data that creates a security risk.¹⁴ This is likely because Xcel does not clearly delineate when it makes claims of customer privacy and claims of security risk. IREC's opening comments analyze and respond to each customer privacy

¹¹ See e.g., National Grid's Massachusetts System Data Portal at <u>https://ngrid.apps.esri.com/NGSysDataPortal/MA/index.html</u> (select "Distribution Assets Overview" to view a map with peak load data); Southern California Edison's map at <u>https://ltmdrpep.sce.com/drpep/</u> (zoom in until distribution system lines appear, click a line, and then select "Load Profile" from the popup box); and New York State Electric & Gas and Rochester Gas & Electric's map at <u>http://iusamsda.maps.arcgis.com/apps/webappviewer/index.html?id=2f29c88b9ab34a1ea25e07ac59b6ec5</u> <u>6</u>.

¹² Department Opening Comments at 12-13.

¹³ 2018 HCA Order at 14 (Ordering Paragraph 2.C) (emphasis added).

¹⁴ Department Opening Comments at 13 (The Department's comments describe the 15/15 data aggregation standard's use for protecting critical infrastructure sectors, but the 15/15 standard is used to protect CEUD. The Department's comments also describe critical energy infrastructure designations as guidance for protecting CEUD.).

claim and security risk claim distinctly. The Commission should to do the same. When examining each claim individually, Xcel's broad and generalized claims of security risk carry little weight. Increasing the transparency of the distribution system will bring benefits to customers and the grid, and these benefits must be taken into account—particularly in light of the lack of evidence presented by Xcel to support withholding data.

Finally, the Department supports Xcel's use of the 15/15 standard.¹⁵ The 15/15 standard provides that aggregated CEUD should not be released if the data come from a pool of less than 15 customers, or if a single customer's load makes up more than 15 percent of the pool. IREC also supports the use of the 15/15 standard *where authorized by this Commission*.¹⁶ This Commission authorizes use of the 15/15 standard to protect CEUD, which it defined as "data collected from the utility customer meters that reflects the quantity, quality, or timing of customers' natural gas or electric usage or electricity production."¹⁷ The Department's analysis does not address if Xcel uses the 15/15 standard to redact data that does not meet the Commission's definition of CEUD. Using the 15/15 standard to redact data that is not in any way related a customer's energy use is an incorrect application of the standard and should be rejected.

IV. The Commission should host a discussion with stakeholders and then issue an order regarding the technical assumptions, limiting criteria, and thresholds used in Xcel's HCA.

IREC agrees with the Department that Xcel's "stakeholder engagement is insufficient on an ongoing basis and for the next iteration of the HCA," and "well-timed stakeholder feedback is fundamentally reasonable and necessary in order to carry out the public-facing intent of Minn.

¹⁵ Department Opening Comments at 12-13.

¹⁶ IREC Opening Comments at 18-22.

¹⁷ Order Governing Disclosure of Customer Energy Use Data to Third Parties, Requiring Filing of Privacy Policies and Cost Data, and Soliciting Comment, Dkt. E,G-999/CI-12-1344, at 6 (Jan. 19, 2017).

Stat. §216B.2425, subd. 8 and the Commission's Orders."¹⁸ Accordingly, IREC requests that the Commission host a conversation with stakeholders and Xcel. A Commission-facilitated forum will ensure that the technical assumptions, limiting criteria, and thresholds used in Xcel's HCA are discussed openly, and that stakeholders have an opportunity to develop an understanding of Xcel's analytical process and ask questions about it. After this dialog, the Commission should accept additional stakeholder comments and fix the inputs and assumptions it believes reasonable for Xcel to use in its HCA.

V. Conclusion

Xcel's 2019 HCA is an improvement from its earlier HCAs. The Commission should continue to build on the progress made to date by directing further enhancements to Xcel's analysis and requiring Xcel to engage in discussions with stakeholders this year regarding the technical assumptions, limiting criteria, and thresholds used in the HCA.

Further, the Commission should individually evaluate and rule on each of Xcel's security and customer privacy concerns. By individually evaluating each concern, the Commission can identify which represent valid and supported concerns and which are an attempt to withhold more data than authorized by Commission orders.

The best way to increase the value of Xcel's HCA for customers is to switch to monthly updates and provide more granular results, including all the criteria violation values for each line segment. Implementing IREC's recommended HCA improvements will go a long way towards helping customers, the Commission, Xcel, and other interested stakeholders achieve Minnesota's goals for increased DER deployment.

¹⁸ Department Opening Comments at 8-10.

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Respectfully submitted,

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