

STATE OF MINNESOTA
BEFORE THE
PUBLIC UTILITIES COMMISSION

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Chair
Commissioner
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In the Matter of Xcel Energy's Integrated
Distribution Plan and Advanced Grid Intelligence
and Security Certification Request

Docket No. E002/M-19-666

**COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC. ON
XCEL ENERGY'S 2019 INTEGRATED DISTRIBUTION PLAN**

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I. Introduction

On November 1, 2019 Xcel filed its 2019 Integrated Distribution Plan (IDP), and on February 12, 2020 the Minnesota Public Utilities Commission (Commission) issued a notice requesting that parties file comments on the IDP by March 17, 2019. Pursuant to that notice, the Interstate Renewable Energy Council, Inc. (IREC) hereby submits these comments.

IREC is a 501(c)(3) non-partisan, non-profit organization working nationally to build the foundation for rapid adoption of clean energy and energy efficiency to benefit people, the economy and our planet. Our vision is a 100% clean energy future that is reliable, resilient and equitable. In service of our mission, IREC advances scalable solutions to integrate distributed clean energy (i.e., renewable energy, energy storage, electric vehicles, and other technologies) onto the grid safely, reliably, and affordably. IREC's regulatory program works to improve the rules, regulatory policies and technical standards that enable the streamlined, efficient and cost-effective installation of distributed energy resources (DERs).

Through our work to advance and support thoughtful and effective grid modernization throughout the United States, IREC has emphasized hosting capacity analysis (HCA) as a key tool in harnessing the benefits of DERs while helping to solve the challenges of interconnecting DERs in increasing quantities. IREC agrees with Xcel that HCA is a "key element in the future of distribution system planning," and "will have the potential to further enable Distributed Energy Resources (DER) integration by guiding future installations and identifying areas of constraint."¹ In addition to guiding DERs to optimal grid locations, HCA has the potential to streamline the interconnection process and to play a core role within utility distribution planning,

¹ Xcel Energy, Distribution System/Hosting Capacity Study, Docket No. E002-M-17-777, at 1 (Nov. 1, 2017).

including facilitating the use of DERs as non-wires alternatives. IREC has provided comments on Xcel's HCA in the Commission's IDP and HCA dockets over the past four years. These comments focus narrowly on several topics raised in Xcel's 2019 IDP.

First, the Commission should adopt a specific goal of replacing of the MN DIP's generalized interconnection screens with more precise HCA results and, second, establish a pathway towards use of the HCA in the interconnection process. Third, the Commission should require Xcel to allow any interested person to participate in stakeholder meetings to ensure that Xcel gets the best possible feedback.

II. The Commission should adopt a long-term goal of replacing of the MN DIP's interconnection screens with the HCA.

Xcel's 2019 IDP indicates that, in the long term, it plans to use HCA for interconnection processing.² IREC supports the establishment of a concrete goal of replacing the Distributed Energy Resources Interconnection Process's (MN DIP's) interconnection screens with HCA, provided the HCA results are updated frequently, thoroughly vetted, and validated.

Using HCA instead of the MN DIP's fast track screens means that the utility and customer are evaluating the addition of DERs using more accurate and granular information. Interconnection screens were designed as rough rule of thumb guidelines to determine if further study is required before adding DER on the grid. These rules of thumb are not location specific; they apply to every location on all distribution systems and as a result can pass some projects that may cause system impacts and fail other projects will not cause system impacts depending on the location. By contrast, the HCA is a calculation that is made using the actual load and physical configuration of Xcel's assets at a specific location on the distribution system.

² Xcel Energy, Integrated Distribution Plan, Docket No. E002-M-19-666, at 186 (Table 48) (Xcel's 2019 IDP). DRIVE is the software tool that Xcel uses to perform its HCA.

Therefore, the HCA produces more precise and granular information than the rule of thumb screens. This increased precision and granularity means that in some places more DERs can be added without additional study, and in other places customers can size or design projects promote grid stability and minimize negative impacts. Using a frequently updated, vetted, and validated HCA instead of generalized interconnection screens will reduce customers' cost of adding new DER and reduce the workload of utility engineers that perform interconnection studies.

To realize these benefits, IREC recommends that the Commission adopt a goal and establish a pathway towards replacing the MN DIP's interconnection screens with a frequently updated, vetted, and validated HCA. The Commission should adopt this goal in this docket because one purpose of IDP is to set the trajectory for long-term distribution system improvements. In docket 19-865 regarding approval of Xcel's 2019 HCA, the Commission should establish a pathway, described in more detail below, to achieve this goal. After the Commission adopts the goal and establishes a pathway, it will be ready to set an implementation schedule. Next year, when Xcel is updating the HCA more frequently and validating the results, the Commission can set a schedule for incorporating the HCA into the Fast Track screening process.

III. The Commission should establish a pathway towards use of the HCA in the interconnection process that includes frequent updates, vetting of technical assumptions, and validation of results.

Xcel's HCA is not ready for use in the interconnection process today because its results are often out of date, the Commission has not vetted its technical assumptions, and Xcel has not validated its results. The Commission should establish a pathway that resolves these issues and readies Xcel's HCA for use in the interconnection process.

First, Xcel's HCA does not reflect the hosting capacity of its system today because the results are seven months old. Xcel's HCA is only updated once a year, and even then the results are not published until months after the analysis is performed.³ It is not appropriate to base interconnection decisions on an HCA that is only updated once a year because the results will often be out of date. For example, the results that are available on Xcel's map today reflect the state of Xcel's system in summer 2019, over seven months ago. Xcel should update its HCA more frequently to prepare for its use in the interconnection process, as well as to provide customers better information today.

Second, Xcel's HCA is premised on a variety of technical assumptions that neither the Commission nor stakeholders have fully vetted. IREC identified a variety of ways that the technical assumptions, limiting criteria, and thresholds used in the HCA could be applied to show results that do not accurately reflect the hosting capacity of a line segment.⁴ Stakeholders and the Commission should have a firm understanding of the way that Xcel performs the analysis, and the opportunity to suggest modifications that reflect appropriate thresholds used to evaluate interconnections. To provide this opportunity, the Commission should facilitate a discussion with stakeholders regarding these thresholds and assumptions. After this discussion, the Commission should set the thresholds and assumptions in docket 19-865. The Commission's approval of the HCA's thresholds and assumptions will ensure that the HCA reflects the state's goals and policies for DER deployment.

³ IREC's comments in the hosting capacity proceeding address this issue in more detail. Dkt. E002/M-19-685, Comments of the Interstate Renewable Energy Council, Inc. on Xcel Energy's 2019 Hosting Capacity Analysis, at 6-12 (Dec. 30, 2019). The Commission should resolve these issues in its hosting capacity proceeding.

⁴ *Id.*, at 30-34.

Finally, Xcel should create and implement an HCA data validation plan. Before using HCA results as a replacement for the MN DIP's interconnection screens, the Commission, Xcel, and stakeholders must have confidence in its results. Performing data validation can give us confidence in HCA results, but Xcel has not developed a plan to perform such validation nor published any evaluation of the accuracy of its 2019 HCA results.⁵ A national best practice for validating HCA results has yet to be developed, but states and national labs are evaluating possible approaches, and we look forward to working with Xcel and the Commission to ensure that HCA results are accurate.

The path for refining Xcel's HCA so that it is ready to use in the interconnection process is clear. The Commission should order Xcel to provide more frequent HCA updates, vet the HCA's technical assumptions, and order Xcel to validate HCA results in docket 19-865. Next year, once Xcel is updating the HCA more frequently and validating the results, the Commission will be ready to set a schedule for incorporating the HCA into the Fast Track screening process.

IV. The Commission should allow any interested person to participate in meetings regarding Xcel's distribution planning efforts.

Any interested person should be able to participate in meetings that Xcel hosts regarding its IDP and HCA. The engagement of local developers, nonprofits, and national experts should be welcomed by Xcel because they provide different perspectives for the utility to consider regarding distribution planning.

Last year, Xcel excluded IREC from two out of three stakeholder meetings that discussed the development of its 2019 IDP. IREC sought to participate in the two earlier meetings, but was

⁵ Xcel's 2019 HCA, Attachment A, at 21 (citations to Attachment A use the page numbers in the upper right hand corner) ("due to time constraints [Xcel was] unable to use the 2019 HCA results" in its accuracy evaluation).

told that attendance at the first two meetings was by invitation only, and that invitations would only be provided to parties that commented on Xcel's 2018 IDP.⁶ Not all stakeholders are able to comment on every IDP filed by every utility. While IREC extensively participated in the dockets regarding the development of Xcel's earlier IDPs, we did not file comments on the 2018 IDP. That a stakeholder is unable to comment on a single IDP does not mean that they do not have valuable insight that they can provide in a stakeholder engagement meeting regarding an upcoming IDP.

Further, it is a highly concerning precedent to allow a utility to pick and choose which stakeholders can attend meetings regarding regulatory filings that do not discuss confidential information. There is no reason to allow a utility to exclude stakeholders who have a legitimate interest in constructively participating in the regulatory process.

The Commission should order Xcel to make its stakeholder engagement meetings regarding IDP and HCA open to all stakeholders who seek to participate.

V. Conclusion

IREC agrees with Xcel's 2019 IDP that HCA should be used in the interconnection process. The Commission should adopt a specific goal of replacing the MN DIP's fast track screens with the more granular HCA. In order to get the HCA to the point where the Commission, Xcel, and stakeholders trust the results for use in the interconnection process, Xcel should update the HCA more frequently, allow stakeholder to vet its assumptions, and develop a plan to verify its results.

⁶ E-mail from Trevor Drake, Great Plains Institute, to Yochi Zakai, Shute, Mihaly & Weinberger, RE: *Xcel 2019 IDP Stakeholder Engagement Meetings* (May 7, 2019).

Finally, to ensure that Xcel gets the best possible feedback on its distribution planning efforts, Xcel's stakeholder engagement meetings should be open to any interested person.

VI. Recommendations

IREC recommends that the Commission:

1. adopt a concrete goal of replacing the MN DIP's fast track screens with the HCA, and
2. require Xcel to allow any interested person to participate in stakeholder engagement meetings regarding its IDP and HCA.

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Respectfully submitted,

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