BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

PROCEEDING NO. 19AL-0268E

IN THE MATTER OF ADVICE LETTER NO. 1797 FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO RESET THE CURRENTLY EFFECTIVE GENERAL RATE SCHEDULE ADJUSTMENT ("GRSA") AS APPLIED TO BASE RATES FOR ALL ELECTRIC RATE SCHEDULES AS WELL AS IMPLEMENT A BASE RATE KWH CHARGE, GENERAL RATE SCHEDULE ADJUSTMENT-ENERGY ("GRSA-E") TO BECOME EFFECTIVE JUNE 20, 2019.

SWEEP AND VOTE SOLAR'S STATEMENT OF POSITION

November 22, 2019

TABLE OF CONTENTS

INTRODUCTION

In this Phase I rate case, Public Service Company of Colorado ("Public Service" or "the Company") requests the Commission increase its overall base rate revenue by over $108 million, which is a 7% increase over current base rate revenue. Although this revenue increase is the core issue in this proceeding, Public Service and other intervenors have also requested the Commission resolve other important policy issues in this rate case. Southwest Energy Efficiency Project (SWEEP) and Vote Solar recommend the Commission take the following actions on five of these policy issues.[1]

First, and most importantly, both SWEEP and Vote Solar strongly urge the Commission to reject Public Service's request to delay and re-litigate the decoupling mechanism previously approved in Proceeding No. 16A-0546E. The Commission should order Public Service to comply with the terms of its prior decision and direct the Company to implement the decoupling mechanism when it files updated tariff sheets at the end of this rate case. Public Service has provided various rationales for delaying decoupling at different points throughout this proceeding. But none of the Company's rationales are persuasive, and there are no changed circumstances that warrant tossing aside the Commission's earlier decoupling decision and re-litigating this previously-settled matter.

Second, Vote Solar supports the general concept of a Certified Renewable Percentage (CRP), but the Company's CRP proposal is unnecessarily complicated and

[1] SWEEP and Vote Solar intervened and participated separately in this proceeding, and they are filing this joint Statement of Position in the interests of efficiency. SWEEP and Vote Solar oppose Public Service's request to delay decoupling, and both organizations are filing joint arguments on this issue. In addition, SWEEP and Vote Solar each make individual arguments on other issues. Specifically, Vote Solar also makes recommendations regarding the Certified Renewable Percentage and the Wildfire Mitigation Settlement, and SWEEP makes recommendations regarding the General Rate Schedule Adjustment and the Demand-Side Management Cost Adjustment.

confusing. Vote Solar believes additional discussions between Public Service and the stakeholders on this issue should result in an improved CRP that would better fulfill the Company's and various intervenors' goals. Vote Solar thus requests the Commission order Public Service to conduct CRP stakeholder meetings to discuss how to improve the CRP, and at the conclusion of that process the Company should file an advice letter or application that would add the updated CRP formula to its tariff sheets. This approach should result in an improved CRP, while also allowing the Commission to timely review and approve the CRP.

Third, SWEEP supports Energy Outreach Colorado's (EOC) and the Office of Consumer Counsel's (OCC) recommendations to collect the revenue increase resulting from this rate case through a volumetric General Rate Schedule Adjustment (GRSA) for residential customers. This approach would avoid increasing the fixed charges customers will pay between this case and the next Phase II rate case. SWEEP supports this approach because it would help ensure the incentive for customers to invest in energy efficiency measures and other distributed energy resources is not diminished, and that low-income customers do not bear a disproportionate burden from the GRSA increase.

Fourth, SWEEP opposes Commission Staff's recommendation to modify the well-established practice of recovering demand-side management (DSM) costs through the Demand-Side Management Cost Adjustment (DSMCA) and base rates. Staff has provided no compelling reason to change the current practice, and Staff's recommendation could confuse and unnecessarily alarm customers because it would make overall DSM costs appear larger than they are.

Finally, Vote Solar recommends the Commission approve the wildfire mitigation settlement that was filed on November 1, 2019. The unopposed joint motion to approve the partial settlement explained why the settlement is in the public interest.

ARGUMENT

SWEEP and Vote Solar Joint Recommendation

I. The Commission should order Public Service to promptly implement decoupling after this Phase I rate case, consistent with Decision No. C17-0557.

The Commission previously approved a decoupling mechanism for Public Service in Decision No. C17-0557.[2] That decision instructed Public Service to implement decoupling as a pilot program at the conclusion of its next Phase I rate case, when the Company filed updated tariff sheets. This is that Phase I rate case, yet Public Service now requests the Commission allow it to delay and likely re-litigate the decoupling mechanism in its next Phase II (or combined Phase I/Phase II) rate case.[3] Tellingly, Public Service has offered a series of changing rationales for the requested delay, none of which justify disregarding the Commission's carefully considered decision.[4] SWEEP and Vote Solar strongly support the prompt implementation of the approved decoupling mechanism, and request that the Commission order Public Service to comply with Decision No. C17-0557.

SWEEP and Vote Solar support decoupling because it is a policy tool that removes a utility's financial disincentive against energy efficiency and distributed energy programs.[5] Decoupling accomplishes this goal by breaking the link between a utility's revenues and the quantity of electricity it sells.[6] Decoupling identifies a target level of revenue for a utility,

---

2 Hr'g Ex. 146, *In re Pub. Serv. Decoupling*, Proceeding No. 16A-0546E, Decision No. C17-0557 (July 11, 2017).

3 Hr'g Ex. 102, Alice Jackson Rev. Rebuttal Test. 126:3–8 (Oct. 11, 2019) [hereinafter Jackson Rebuttal].

4 *E.g.*, *id.* at 119:10–126:15; Hr'g Ex. 101, Brooke Trammell Rev. Direct Test. 143:1–146:8 (May 20, 2019) [hereinafter Trammell Direct]; Tr. 46:7–49:24 (Jackson Test.).

5 *See In re Pub. Serv. Decoupling*, Proceeding No. 16A-0546E, Decision No. R17-0337 at 7, ¶ 18, 8, ¶ 20 (May 2, 2017).

6 *Id.* at 7, ¶ 18.

then compares actual revenue to the target level.[7] If the utility's actual revenue is less than the target, customers would pay a decoupling charge.[8] Conversely, if actual revenue is greater than the target, customers would receive a decoupling credit.[9]

The Commission has already considered the decoupling issue twice. Public Service first proposed decoupling as part of its 2014 Phase I rate case. The Commission dismissed the decoupling issue from that case, finding that it presented "broad policy implications" that warranted its own distinct proceeding.[10] About eight months later, Public Service initiated a new proceeding, Proceeding No. 16A-0546E, to request approval of its proposed decoupling mechanism. That proceeding was thoroughly litigated, with ten intervenors, four days of hearings, and two separate challenges to the Commission's final decision.[11]

That litigation resulted in Decision No. C17-0557. Under that decision, Public Service must produce the approved decoupling formula "on the updated tariff sheets filed by Public Service after its next Phase I rate case, when the Company implements its decoupling proposal, consistent with the Recommended Decision."[12] Although Public Service filed a Phase I rate case in 2017, the Commission dismissed that case.[13] Decision No. C17-0557 thus requires the Company to implement decoupling promptly after this case.

---

7 *Id.*

8 *Id.*

9 *Id.*

10 *In re Pub. Serv. 2014 Phase I Rate Case*, Proceeding No. 14AL-0680E, Decision No. C14-1331-I at 4–5, ¶ 9 (Nov. 4, 2015).

11 *In re Pub. Serv. Decoupling*, Proceeding No. 16A-0546E, Decision No. C17-0706 (Aug. 25, 2017) (denying application for rehearing, reargument, or reconsideration); Hr'g Ex. 146, Decision No. C17-0557 (addressing exceptions); Decision No. R17-0337 at 3, ¶¶ 4, 7 (discussing intervenors and procedural history).

12 Hr'g Ex. 146, Decision No. C17-0557 at 17, ¶ 52.

13 *In re Pub. Serv. 2017 Phase I Rate Case*, Proceeding No. 17AL-0649E, Decision No. C18-0280 (Apr. 26, 2018).

In this Phase I rate case, however, Public Service now seeks to cast aside the Commission's earlier decisions, asking the Commission to allow the Company to reconsider decoupling in its next Phase II (or combined Phase I/Phase II) rate case. The Company has offered various, and changing, rationales for postponing the implementation of decoupling at different points in this proceeding. However, none of Public Service's rationales are persuasive, and they do not justify delaying and re-litigating the previously approved decoupling mechanism.

Initially, Public Service argued the Commission should delay decoupling because the decoupling mechanism would only be in place for four years, not six.[14] But it is not unusual for a decoupling program to be in place for four years—or fewer. For example, SWEEP witness Justin Brant explained that the Washington public utilities commission approved a three-year decoupling pilot program for Puget Sound Energy.[15] Additionally, Public Service's sister utility in Minnesota, Northern States Power, has almost completed a four-year decoupling pilot, approved to run from 2016 to 2019.[16] The results of both decoupling programs found that decoupling removed the utility's "throughput incentive" and accomplished decoupling's public policy goals, including encouraging the growth of energy efficiency programs and allowing the utility to maintain approved revenue levels.[17] Here, the prompt implementation of decoupling following this rate case will similarly provide the Commission with valuable information about the actual effects of decoupling, which will inform the future of decoupling after the mechanism sunsets in 2023.

---

14 Hr'g Ex. 101, Trammell Direct at 144:11–16.
15 Hr'g Ex. 166, Justin Brant Answer Test. 13:4–5 (Sept. 20, 2019).
16 *Id.* at 13:9–10.
17 *Id.* at 13:4–14.

The Company also claimed in its direct testimony that it should not implement decoupling after this rate case because its ongoing residential time-of-use (RE-TOU) and demand (RD-TDR) pilot programs could inform the implementation of decoupling.[18] This argument is merely an attempt to re-litigate this issue. The Commission approved the settlement that created the RE-TOU and RD-TDR pilot programs nearly eight months before it approved the decoupling mechanism.[19] In the decoupling proceeding, Public Service cited the approved RE-TOU pilot program as a key reason why the Commission should approve decoupling.[20] Thus, when the Commission approved decoupling, the Commission and the Company were well aware of the interaction between the RE-TOU pilot program and the decoupling mechanism. It is still the case that promptly implementing decoupling will provide the Commission with information about the actual effects of decoupling and inform the expected transition to time-of-use rates.

After filing its direct testimony, Public Service offered a third rationale for postponing decoupling: the delay in the rolling out advanced metering infrastructure (AMI).[21] But beginning the rollout of AMI meters in 2021, rather than 2020, is no reason to delay decoupling. In fact, the Company originally planned to implement decoupling in June 2018, before it planned to begin installing AMI meters in 2020.[22] As originally conceived, there was no plan to implement decoupling contemporaneous with the AMI meter rollout. Moreover, even with the delay, the anticipated completion date for the AMI meter rollout

---

18 Hr'g Ex. 101, Trammell Direct at 144:21–145:10.
19 Decision No. R17-0337 at 8, ¶ 20 & n.11.
20 *Id.* at 8, ¶ 20.
21 Hr'g Ex. 102, Jackson Rebuttal at 125:3–11.
22 *Id.* at 125:5–6; Hr'g Ex. 146, Decision No. C17-0557 at 3, ¶ 4.

remains 2024, as originally scheduled.[23] Public Service has failed to explain why the AMI delay should result in postponing decoupling.

Finally, at the hearing, Public Service offered an entirely new rationale for its request to delay decoupling: the transition to electric vehicles, and specifically the state's goal of increasing the number of electric vehicles on the road to 940,000 by 2030.[24] Public Service witness Alice Jackson testified that implementing decoupling would create a disincentive for the Company to invest in electric vehicle infrastructure.[25] However, the projected growth of electric vehicles is not a new phenomenon, and the parties to the decoupling proceeding thoroughly considered electric vehicle growth. During that proceeding, Public Service acknowledged that its sales could grow due to rapid growth in electric vehicles.[26] But Public Service stated that this sales increase was not a reason to reject decoupling, even though electric vehicles would increase energy use per customer.[27] As the Company explained then, the projected sales growth from electric vehicles represented a relatively small component of the overall anticipated changes to the Company's sales. Specifically, Public Service stated that the projected sales growth due to electric vehicles represented only about 3 percent of the estimated annual energy savings from the Company's energy efficiency projects, and other energy-savings projects would further buffer the projected growth in electric vehicle-related sales.[28]

In addition, as Ms. Jackson conceded in this case, the transition to electric vehicles is "going to take some time," as the electric vehicle policy goals Public Service points to

---

23 Hr'g Ex. 102, Jackson Rebuttal at 125:6–7, 201:7–13.
24 Tr. 46:15–48:9 (Jackson Test.).
25 *Id.* at 47:20–25.
26 *In re Pub. Serv. Decoupling*, Proceeding No. 16A-0546E, Scott Brockett Rebuttal Test. 32:4–10 (Feb. 10, 2017).
27 *Id.* at 32:7–10.
28 *Id.* at 32:10–18.

extend through 2030.[29] Yet the decoupling mechanism will sunset in 2023. Public Service has provided absolutely no evidence in this proceeding regarding the electric vehicle growth projected for 2020–2023, or how that growth would affect the decoupling mechanism.

In sum, the Commission should reject Public Service's request to delay implementing the previously approved decoupling mechanism. The Commission has already disapproved Public Service's request to litigate decoupling in a rate case, and it then approved a thoroughly litigated decoupling mechanism in Proceeding No. 16A-0546E. But Public Service now seeks to go back to square one and re-litigate decoupling in its next rate case. There are no compelling reasons for doing so.

In addition, Public Service's request stands in stark contrast to its testimony elsewhere in this case, where it takes issue with other intervenors' alleged attempts to "collateral[ly] attack" prior Commission decisions that were "subject to extensive litigation."[30] Yet that is precisely what the Company seeks to do regarding decoupling. Moreover, the decoupling mechanism is a pilot program that will be subject to annual reports and further review by the Commission to determine decoupling's future after 2023. It would be better to analyze the real-world impacts of decoupling following the pilot, rather than re-litigating a settled matter based on the Company's vague assertions about the impacts it may have. The Commission should thus order Public Service to promptly implement decoupling at the conclusion of this Phase I rate case, as Decision No. C17-0557 requires.

---

[29] Tr. 48:7–9 (Jackson Test.).

[30] Hr'g Ex. 102, Jackson Rebuttal at 64:8, 65:17; *see also id.* at 67:3–12 (objecting to intervenor attempts to revisit settled issues or collaterally attack prior decisions).

Vote Solar Recommendation

II. The Commission should defer approval of the CRP, and direct Public Service to convene stakeholder discussions and subsequently file an updated CRP formula in an advice letter or application.

Public Service has proposed to provide customers with a new informational tool, called the Certified Renewable Percentage or CRP. Public Service's primary aim for the CRP is to assist customers who have clean energy goals, such as municipalities and large companies with 100% clean energy goals.[31] Public Service developed the CRP to help these customers achieve their clean energy goals, and the CRP's purpose is to provide clarity regarding the total renewable energy the Company delivers to its customers every year.[32]

Vote Solar supports the CRP concept generally, and agrees with Public Service's overall goals for this innovative new informational tool. However, the Company's proposed CRP formula is unnecessarily complicated and confusing. The primary flaw in the Company's proposal is that the CRP percentage would include renewable energy that was generated up to five years prior, rather than reflecting the amount of renewable energy that was actually generated and delivered to retail customers in the current year.[33] As Public Service witness Jack Ihle explained at the hearing, this is because the Renewable Energy Credits (RECs) the Company retires for its Renewable Energy Standard (RES) compliance serve as the foundation of the CRP.[34] And the RES allows Public Service to retire RECs for renewable generation that occurred up to five years prior to the compliance

---

31 Hr'g Ex. 136, Jack Ihle Rev. Direct Test. 25:11–14, 26:1–13 (May 20, 2019) [hereinafter Ihle Direct]; Tr. 244:12–23 (Ihle Test.).

32 Hr'g Ex. 136, Ihle Direct at 25:8–11; Hr'g Ex. 137, Jack Ihle Rev. Rebuttal Test. 25:1–2 (Oct. 11, 2019) [hereinafter Ihle Rebuttal]; Tr. 244:24–225:21 (Ihle Test.).

33 *See, e.g.*, Hr'g Ex. 168, Rick Gilliam Answer Test. 14:5–15:7 (Sept. 20, 2019) [hereinafter Gilliam Answer].

34 Tr. 244:1–11 (Ihle Test.).

year.[35] Including these "legacy" RECs in the CRP, however, would mean the CRP percentage does not reflect the actual current year renewable generation that Public Service delivers to retail customers. The CRP should reflect actual current-year renewable generation, as that metric would better serve the CRP's overall purpose.

It appears one of the reasons for Public Service's unnecessarily complex CRP formula is the Company's belief that RES compliance and the CRP are inextricably linked.[36] The Company's RES compliance and the CRP, however, should be largely distinct issues. Because the CRP is a voluntary informational tool to assist customers achieve clean energy goals, it should be optimally designed to most clearly and accurately reflect the amount of renewable energy Public Service actually delivers to its customers. By contrast, the RES statute largely dictates Public Service's RES compliance. The Commission should not approve a less clear, less accurate, or suboptimal CRP due to the Company's unnecessary concerns about the link between the CRP and RES compliance. Importantly, Public Service could implement an optimally-designed CRP, while continuing to comply with the RES in the same manner it does today. For example, if the CRP percentage did not include renewable energy generated up to five years earlier, the Company could continue to retire "legacy" RECs for RES compliance purposes, as it does today. Those "legacy" RECs would simply not count toward the CRP percentage.

Tellingly, multiple parties in this proceeding support the general concept of the CRP, but most of these parties believe the CRP should be improved in numerous ways.[37] This fact confirms that the CRP concept shows promise, but the actual CRP proposals put

---

35 *Id.* at 247:19–22; *see also* 4 Colo. Code Regs. § 723-3:3654(k).

36 *See, e.g.*, Hr'g Ex. 136, Ihle Direct at 31:6–15, 32:13–33:2.

37 *See, e.g.*, Hr'g Ex. 169, Rick Gilliam Cross-Answer Test. 7:16–11:18 (Oct. 11, 2019) [hereinafter Gilliam Cross-Answer] (summarizing the other intervenors' answer testimony regarding the CRP).

forth in this proceeding are not yet ready for Commission approval. Vote Solar believes that additional discussions between Public Service and the stakeholders should result in an improved CRP that would better fulfill the Company's and the intervenors' goals of providing a meaningful metric. Accordingly, Vote Solar recommends the Commission generally endorse the purpose and goals of the CRP in its decision here, but not approve a CRP formula. The Commission should direct Public Service to conduct CRP stakeholder meetings to discuss how to improve the CRP, and at the conclusion of that process to file an advice letter or application that would add the updated CRP formula to the Company's tariff sheets. This approach should result in an improved CRP, while still allowing the Commission to timely review and approve the CRP. If the stakeholder process is successful and the parties develop a consensus CRP, this approach should also allow the Commission to approve the CRP without requiring another litigated proceeding. And if the stakeholder process does not result in consensus, this approach would preserve the rights of any party to object to the CRP formula and request a hearing on the matter.[38] Vote Solar engaged in conversations with multiple parties after the conclusion of the evidentiary hearing, and

[38] Public Service recommends the Commission not require an advice letter or tariff filing to implement or modify the CRP, and it casts doubt on whether the CRP would be an appropriate subject of an advice letter filing. Hr'g Ex. 137, Ihle Rebuttal at 31:1–32:4. Regardless of whether an advice letter or tariff filing is required to implement the CRP, the Commission has authority to direct the Company to convene additional CRP stakeholder discussions and subsequently file an advice letter (or application) adding the updated CRP formula to the tariff sheets. Public Service's tariff sheets contain numerous "gratuitous services," such as providing data reports to customers or third parties. *See* Hr'g Ex. 134, Michelle Applegate Rev. Direct Test., Attach. MMA-2 at 39 (May 20, 2019). The Commission could order Public Service to add the CRP to this list of "gratuitous services." Doing so would be a change to the Company's tariffs—which are broadly defined as "rules, regulations, terms, and conditions, that in any manner affect or relate to rates, classifications, or service"—and could thus be appropriately addressed in an advice letter proceeding. *See* 4 Colo. Code Regs. § 723-1:1004(ii).

many of these parties support this approach and will offer similar recommendations in their Statements of Position.

The Commission's ultimate goal here should be to approve the best possible version of the CRP, and there is no need to rush this issue. But if the Commission nonetheless wishes to approve a CRP formula in this proceeding, it should adopt Vote Solar's recommended formula.[39] As Vote Solar witness Rick Gilliam explained, this formula would reflect current year renewable generation, which better serves the overall goal of informing customers of how much renewable energy Public Service actually delivers to them.[40] Moreover, this formula is significantly simpler and easier to understand than Public Service's more complex CRP formula.[41]

SWEEP Recommendations

III. The Commission should adopt EOC's and OCC's recommendations for a volumetric GRSA.

Public Service proposes to recover most of the increased revenue requirements between this Phase I rate case and the next Phase II rate case through the GRSA, which would result in a 9.77% increase for each billing component.[42] In addition, Public Service proposes to recover the revenue increase related to Rush Creek through a GRSA-E, which would only apply to the volumetric energy component of customer bills and would be set at $0.00427 per kilowatt-hour.[43] EOC and the OCC both recommend recovering the

---

39 Hr'g Ex. 168, Gilliam Answer 17:2–19; *see also* Hr'g Ex. 169, Gilliam Cross-Answer 13:3–14:3 (slightly modifying Vote Solar's recommended CRP formula).

40 Hr'g Ex. 168, Gilliam Answer 17:20–18:5.

41 *Id.* at 16:1–21.

42 *See* Hr'g Ex. 104, Deborah Blair Rev. Rebuttal Test. 13:9–11 (Oct. 11, 2019).

43 *Id.*

additional revenues through a volumetric GRSA for the residential class, rather than through a traditional GRSA that increases each billing component.[44]

SWEEP supports the EOC and OCC recommendations for two reasons. First, a volumetric GRSA would ensure that the current incentive for customers to invest in energy efficiency measures and other distributed energy resources is not reduced.[45] The historical practice of recovering a Phase I rate increase through a GRSA increases fixed charges. Increasing fixed charges means increasing the unavoidable portion of a monthly bill that customers must pay regardless of how much energy Public Service delivers to them. Increasing fixed charges thus reduces customers' incentive to invest in energy efficiency, distributed resources, or other measures that reduce the amount of energy they purchase from Public Service. The volumetric GRSA proposals by EOC and OCC would thus help preserve the current incentives for energy efficiency and other distributed energy resources. Recovering the Phase I rate increase through a volumetric GRSA would also help ensure that Public Service achieves the 500-gigawatt hour energy efficiency goal the Commission established in Proceeding No. 17A-0462EG.

Second, SWEEP supports a volumetric GRSA because it would reduce the burden on low-income customers.[46] As noted above, increasing fixed charges means increasing the unavoidable portion of a monthly bill that a customer must pay regardless of how much energy they consume. On average, low-income customers use less energy than other customers, and thus the fixed charge component is a larger component of the monthly bill for low-income customers. Accordingly, recovering part of a Phase I rate increase by

---

44 Hr'g Ex. 156, Andrew Bennett Corrected Answer Test. 25:18–30:4 (Oct. 24, 2019); Hr'g Ex. 174, Ronald. Fernandez Rev. Answer Test. 106:21–107:4 (Oct. 25, 2019).

45 Hr'g Ex. 167, Justin Brant Cross-Answer Test. 7:5–10 (Oct. 11, 2019).

46 *Id.* at 7:11–15.

increasing the fixed charge is especially burdensome for low-income customers. EOC's and OCC's recommendations for a volumetric GRSA would avoid this regressive burden to low-income customers.

IV. The Commission should reject Staff's recommendation to change the well-established practice of recovering DSM costs through the DSMCA and base rates.

For the past decade, Public Service has recovered the costs of its DSM programs through the DSMCA, while also recovering some DSM costs through base rates.[47] Staff, however, now recommends the Commission depart from this long-standing practice and begin recovering all DSM costs through the DSMCA.[48] SWEEP opposes this recommendation.

When the Commission first implemented the current practice for recovering DSM costs in the early days of Public Service's DSM programs, the Company explained why it should recover some DSM costs in base rates. As Public Service noted, recovering all DSM costs through the DSMCA would "send[] a signal that may be misinterpreted by customers."[49] This is because the DSMCA would only reflect the gross costs of DSM programs, and customers would never see the avoided cost benefits of DSM programs as a line item on their bills.[50] Consequently, recovering all DSM costs through the DSMCA would make the costs of DSM programs appear larger than they actually are.[51] This rationale holds equally true today, particularly when the Commission recently reiterated

---

47 *Id.* at 9:2–6; *see also In re Pub. Serv. 2009 Rate Case*, Proceeding No. 09AL-299E, Decision No. C09-1446 at 43, ¶ 136 (Dec. 24, 2009).

48 Hr'g Ex. 185, Seina Soufiani Answer Test. 34:17–38:2 (Sept. 20, 2019) [hereinafter Soufiani Answer].

49 *Id.* at 35:18–19 (quoting *In re Pub. Serv. 2009 Rate Case*, Proceeding No. 09AL-299E, Karen Hyde Direct Test. 28:19–29:6 (May 1, 2009)).

50 *Id.* at 35:19–36:2.

51 *Id.*

that Public Service should "aggressively pursue all cost-effective DSM" and when the Company has increased its DSM budgets in the 2019/2020 DSM Plan.[52]

Staff offers only a cursory argument in support of its recommendation to change this well-established practice for recovering DSM costs, and no other party supported this recommendation. According to Staff, recovering all DSM costs through the DSMCA would increase transparency to customers.[53] But Staff makes no attempt to address or rebut the long-standing rationale for why Public Service currently recovers DSM costs through the DSMCA and base rates: to avoid sending a confusing signal to customers that overstates overall DSM costs. The Commission should continue the current practice and not send customers a misleading signal that could undermine the Commission's DSM policies and goals.

As Public Service noted, Staff's recommendation would increase the DSMCA on customers' bills by approximately 186%.[54] Such a substantial increase in the DSMCA may unnecessarily confuse or alarm customers. Moreover, adopting Staff's recommendation would not achieve the goal of increasing transparency. As Public Service noted in 2009, including all DSM costs in the DSMCA would overstate costs, because the avoided cost benefits of DSM do not appear as a line item on customers' bills. Staff's recommendation would thus not achieve the goal of making overall DSM costs more transparent to customers. Instead, the 186% increase to the DSMCA would make the overall costs of Public Service's DSM programs appear larger than they actually are. The Commission

---

52 *In re Pub. Serv. DSM Strategic Issues*, Proceeding No. 17A-0462EG, Decision No. C18-0417 at 43, ¶ 8 (June 6, 2018) (Ackermann, Chairman, concurring).

53 Hr'g Ex. 185, Soufiani Answer at 37:10–38:2.

54 Hr'g Ex. 102, Jackson Rebuttal at 72:14–15.

should reject Staff's recommendation and continue to recover DSM costs through the DSMCA and base rates.

CONCLUSION

For the reasons discussed above, SWEEP and Vote Solar request the Commission take the following actions:

SWEEP Recommendations

1. Decoupling: Reject Public Service's proposal to delay implementing decoupling, and order the Company to comply with the terms of Decision No. C17-0557.
2. GRSA: Adopt EOC's and OCC's recommendations to collect additional revenues through a volumetric GRSA.
3. DSM Costs: Reject Staff's recommendation to recover all DSM costs through the DSMCA.

Vote Solar Recommendations

1. Decoupling: Reject Public Service's proposal to delay implementing decoupling, and order the Company to comply with the terms of Decision No. C17-0557.
2. Certified Renewable Percentage: Direct Public Service to convene stakeholder discussions regarding the CRP, and to timely file an advice letter or application with the updated CRP formula after the stakeholder process is complete. Alternatively, if the Commission wishes to approve a CRP formula in this proceeding, it should adopt Vote Solar's recommended CRP formula.
3. Wildfire Mitigation Settlement: Approve the wildfire mitigation settlement that was filed on November 1, 2019, for the reasons stated in the unopposed joint motion to approve the partial settlement.

Respectfully submitted November 22, 2019.

/s/ Michael Hiatt
Michael Hiatt, Attorney Reg. No. 41178
Marta Darby, Attorney Reg. No. 53732
Earthjustice
633 17th Street, Suite 1600
Denver, CO 80202
303-623-9466
mhiatt@earthjustice.org
mdarby@earthjustice.org

Attorneys for Southwest Energy Efficiency Project and Vote Solar

CERTIFICATE OF SERVICE

I certify that on November 22, 2019, a copy of the foregoing **SWEEP AND VOTE SOLAR'S STATEMENT OF POSITION** was e-filed with the Colorado Public Utilities Commission and served on the following parties via electronic mail listed below. In addition, the parties listed below were also served a courtesy copy via email:

Matthew S. Larson	mlarson@wbklaw.com	PSCo
Caitlin M. Shields	cshields@wbklaw.com	PSCo
Charles T. Solomon	Charles.Solomon@denvergov.org	CCD
Julie K. Schneider	Julie.Schneider@denvergov.org	CCD
Lindsay Carder	Lindsay.Carder@denvergov.org	CCD
Jonathan Rogers	Jonathan.Rogers@denvergov.org	CCD
Elizabeth Babcock	Elizabeth.Babcock@denvergov.org	CCD
Peter Meier	peter.meier@hq.doe.gov	DOE
Ronald J. Klinefelter	klinefelter@wapa.gov	DOE
Dwight Etheridge	detheridge@exeterassociates.com	DOE
Leslie Glustrom	lglustrom@gmail.com	Tax Payer
Mark T. Valentine	mvalentine@kfwlaw.com	CF&I Steel L.P.
Mark D. Detsky	mdetsky@dietzedavis.com	EOC
Gabriella Stockmayer	gstockmayer@dietzedavis.com	EOC
Gracie Franco	gracie@dietzedavis.com	EOC
Jennifer Gremmert	jgremmert@energyoutreach.org	EOC
Andrew Bennett	abennett@energyoutreach.org	EOC
Luke Ilderton	lilderton@energyoutreach.org	EOC
Julie A. Wolf	Julie@dietzedavis.com	EOC
Michelle Brandt King	MBKing@hollandhart.com	CEC
Nikolas S. Stoffel	NSStoffel@hollandhart.com	CEC
Austin Rueschhoff	DARueschhoff@hollandhart.com	CEC
Gina Gargano-Amari	GLGargano-Amari@hollandhart.com	CEC
Adele C. Lee	ACLee@hollandhart.com	CEC
Matthew Gerhart	matt.gerhart@sierraclub.org	Sierra Club
Katherine Lagen	katherine.lagen@sierraclub.org	Sierra Club

Thomas F. Dixon	thomas.dixon@coag.gov	OCC
Gregory E. Bunker	gregory.bunker@coag.gov	OCC
Ron Fernandez	Ron.fernandez@state.co.us	OCC
Cory Skluzak	Cory.skluzak@state.co.us	OCC
Scott England	Scott.england@state.co.us	OCC
Chris Neil	Chris.neil@state.co.us	OCC
Ingrid Watford	ingrid.watford@coag.gov	OCC
Ellen M. Kelman	ekelman@laborlawdenver.com	Local No. 111
Naomi Perera	nperera@laborlawdenver.com	Local No. 111
Fiona Sigalla	fiona.sigalla@state.co.us	Trial Advocacy
Erin O'Neill	erin.oneill@state.co.us	Trial Advocacy
Jason Peuquet	jason.peuquet@state.co.us	Trial Advocacy
Eric Hagland	eric.haglund@state.co.us	Trial Advocacy
Karl Kunzie	karl.kunzie@state.co.us	Trial Advocacy
Seina Soufiani	seina.soufiani@state.co.us	Trial Advocacy
Bill Dalton	bill.dalton@state.co.us	Trial Advocacy
Ron Davis	ron.davis@state.co.us	Advisory Staff
Harry DiDomenico	harry.didomenico@state.co.us	Advisory Staff
James Lester	james.lester@state.co.us	Advisory Staff
Greg Kropkowski	Greg.Kropkowski@state.co.us	Advisory Staff
Paul Gomez	paul.gomez@coag.gov	Advisory Counsel
Michael J. Santisi	michael.santisi@coag.gov	Senior Assist.
Charlotte Powers	Charlotte.Powers@coag.gov	Attorney
Melvena Rhetta-Fair	melvena.rhetta-fair@coag.gov	Assistant Attorney
		CO-PUC
Steve Chriss	stephen.chriss@walmart.com	Walmart
Lisa Perry	lperry@oram-houghton.com	Walmart
Jessica Lowrey	jessica.lowrey@coag.gov	CEO
Lindsey Stegall	lindsey.stegall@state.co.us	CEO
Jocelyn Durkay	jocelyn.durkay@state.co.us	CEO
David Banas	david.banas@coag.gov	CEO
Keith Hay	keith.m.hay@state.co.us	CEO
Barbara Dory	barbara.dory@coag.gov	CEO
Debra Kalish	kalishd@bouldercolorado.gov	Boulder
Lucas Markley	markleyl@bouldercolorado.gov	Boulder
Steve Catanach	catanachs@bouldercolorado.gov	Boulder
Jonathan Koehn	koehnj@bouldercolorado.gov	Boulder
Matt Lehrman	lehrmanm@bouldercolorado.gov	Boulder

Ellen Howard Kutzer	ellen.kutzer@westernresources.org	WRA
Erin A. Overturf	erin.overturf@westernresources.org	WRA
Gwen Farnsworth	gwen.farnsworth@westernresources.org	WRA
Aaron Kressing	aaron.kressig@westernresources.org	WRA
Penny Anderson	penny.anderson@westernresources.org	WRA
Dennis Valentine	devalentine@earthlink.net	AARP
Richard Fanyo	rfanyo@polsinelli.com	Climax Molybdenum Company

/s/ *Michael Hiatt*