

Decision No. C15-0990

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO**

PROCEEDING NO. 14M-0235E

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IN THE MATTER OF COMMISSION CONSIDERATION OF RETAIL RENEWABLE  
DISTRIBUTED GENERATION AND NET METERING.

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**DECISION CLOSING PROCEEDING**

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Mailed Date: September 15, 2015

Adopted Date: August 26, 2015

**I. BY THE COMMISSION**

**A. Statement**

1. The Commission opened this proceeding on March 18, 2014, finding that a Commission-directed inquiry into net metering and potential impacts of the expansion of retail renewable distributed generation in Colorado was timely and in the public interest.<sup>1</sup>

**B. Discussion**

2. On April 9, 2014, we convened a Commissioners' Information Meeting (CIM) to hear participants' views on the specific net metering issues the Commission should address. We also encouraged participants to file comments.

3. On June 9, 2014, we determined that it was necessary, based on the presentations at the CIM and responsive filings, to gather additional information through a series of panel discussions.<sup>2</sup> We also invited the submission of legal briefs on certain questions suggested in the participants' comments following the CIM.<sup>3</sup>

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<sup>1</sup> Decision No. C14-0294

<sup>2</sup> Decision No. C14-0615-I

<sup>3</sup> *Id.*

4. On July 24, 2014, we convened the first panel session. Public Service Company of Colorado (Public Service) and representatives of Colorado's on-site solar industry made presentations on the projected growth of on-site solar in Colorado; the cost of on-site solar for non-solar customers and customers with solar; and, the financial impacts of net metering on Colorado's regulated electric utilities.<sup>4</sup>

5. The Commission held its second panel session on October 1, 2014. We invited Bryan Hannegan, Associate Director of the National Renewable Energy Laboratory (NREL) to discuss a report on alternative approaches to quantifying the benefits (and costs) of on-site solar.<sup>5</sup> Representatives of electric utilities and the on-site solar industry presented information on customer benefits from on-site solar, systems benefits of on-site solar, and the quantification of those benefits. The Interstate Renewable Energy Council (IREC) also shared findings from a report on the costs and benefits of on-site solar.<sup>6</sup>

6. For the third panel discussion on December 1, 2014, we were joined by Commissioner Beverly Jones Heydinger from the Minnesota Public Utilities Commission, Commissioner Susan Bitter Smith from the Arizona Corporation Commission, Commissioner David Noble from the Nevada Public Utilities Commission and, Dr. Dan Arvizu, Director of NREL. We hosted a round-table discussion about how other states are assessing the costs and benefits of net metering and their approaches to resolving the issues surrounding net metering.

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<sup>4</sup> Attachment A to Decision No. C14-0776-I provided a list of questions for participants to respond.

<sup>5</sup> Methods for Analyzing the Benefits and Costs of Distributed Photovoltaic Generation to the U.S. Electric Utility System, Technical Report NREL/TP-6A20-62447 September 2014.

<sup>6</sup> A Regulator's Guidebook: Calculating The Benefits And Costs Of Distributed Solar Generation.

7. On April 23, 2015, we held a fourth panel session to hear from the Electric Power Research Institute (EPRI), SolarCity, IREC, Western Resource Advocates (WRA), and Public Service about on-site storage, distribution system design and ancillary benefits, and photovoltaic (PV) system size and orientation. The Regulatory Assistance Project (RAP) provided background on the design and use of a minimum customer bill as a potential approach for utilities to address any under-recovery of fixed costs. Representatives of Public Service and the on-site solar industry shared their respective views on how a minimum bill should be structured. We then solicited comments addressing topics discussed during the fourth panel session and summaries of participants' positions on the primary issues raised in this proceeding.<sup>7</sup>

8. The following persons participated in this proceeding through presentations at the panel sessions or filings: The Alliance for Solar Choice; Black Hills/Colorado Electric Utility, L.P.; the City and County of Denver; Climax Molybdenum Company; Colorado Energy Consumer Group; Colorado Rural Electric Association; the Colorado Energy Office; Colorado Forest Energy LLC; Colorado Office of Consumer Counsel; Staff of the Colorado Public Utilities Commission; Colorado Solar Energy Industries Association; EPRI; Leslie Glustrom; Intermountain Rural Electric Association; IREC; Interwest Energy Alliance; Karey Christ-Janer; La Plata Electric Association; NREL; Public Service; Lee Rayburn; Redlands Water and Power Company; RAP; Renewable Energy Systems America; Sierra Club Environmental Law Program; SolarCity; Solar Energy Industries Association; Southeast Colorado Solar Coalition; the Vote Solar Initiative; Wal-Mart Stores, Inc. and Sam's West Inc.; and WRA.

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<sup>7</sup> Decision No. C15-0158-I issued February 17, 2015.

**C. Findings and Conclusions**

9. This proceeding provided the Commission with extensive information regarding the possible costs and benefits of net metering and potential solutions to the issues raised by various participants. The scope of this proceeding was informational; therefore, we defer consideration of specific claims and requests for relief to future adjudicated proceedings, as proposed by many of the participants.

10. We have reviewed all of the information provided by the participants and have considered their legal arguments, comments, and recommendations. Based upon this review, we conclude that we will not change our rules governing net metering or retail renewable distributed generation in 4 *Code of Colorado Regulations* (CCR) 723-3 of the Commission's Rules Regulating Electric Utilities, any program for the acquisition or development of on-site solar systems offered by qualifying retail utilities under § 40-2-124(1)(e), C.R.S., or any rate or tariff for retail electric service provided by the investor-owned electric utilities.

**II. ORDER****A. The Commission Orders That:**

1. This Proceeding is closed.
2. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.
3. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
August 26, 2015.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads 'Doug Dean'.

Doug Dean,  
Director

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

JOSHUA B. EPEL

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PAMELA J. PATTON

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GLENN A. VAAD

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Commissioners