

NWA In Colorado

Megan Gilman, Commissioner

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SB19-236 DSP Legislation

Must do the following regarding non-wires alternatives (NWAs):

- Define NWAs
- Develop methodology for evaluating costs and benefits of using DERs as NWAs
- Determine threshold for size of new distribution project when utility must consider NWAs
- Direct each qualifying utility to file a DSP with additional system information
- Include NWA analysis to provide new electric service to any planned developments expected to include $\geq 10,000$ new residences



Rulemaking 20R-0516E

Concluded December 2020

Establish base criteria for electric utility Distribution System Plans, including NWA analysis and solicitations



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- **Rule 3532 Grid Needs Assessment** – Includes analysis regarding suitability of NWA to mitigate identified needs and recommendations for the deployment of utility infrastructure upgrade solutions versus the procurement of NWA to address any identified needs.
- **Rule 3533 Grid Innovation** – Identification of any barriers to deployment of DERs and NWA.

Rulemaking 20R-0516E

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- **Rule 3535 NWA Cost Benefit Analysis** – Develop and publish a CBA methodology. CBA should consider approach from National Standard Practice Manual.
- **Rule 3536 Action Plan** – Action plan for implementation of NWAs to address grid needs not classified as major distribution system projects, costs and plans associated with obtaining data necessary for evaluation of NWAs.
- Updated Phase II action plan with sequence, timeline, interaction for NWAs identified in solicitation process.



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- **Rule 3537 NWA Solicitation Process (Phase II)** – Phase II and bidding process required for any major projects. DSP application includes timelines for Phase II. Concept is an expedited, comment-based Phase II to facilitate timely decisions and implementation of NWA bids.
- Use of independent evaluator (IE) for major grid projects
- Utility selects NWA bidder to advance to Phase II -> within 30 days IE must file report.

Rulemaking 20R-0516E

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- **Rule 3538 Approvals and Cost Recovery** – Commission shall approve utility's NWA investments if investment is in public interest.

PSCO First DSP 22A-0189E

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- May 2, 2022 - Public Service Company of Colorado filed first Distribution System Plan
- Unopposed Non-Comprehensive Settlement Agreement
- Advanced several projects to Phase II, but excluded projects involving service to Critical Infrastructure customers, as defined by the Company.

PSCO First DSP 22A-0189E

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- Phase II Ongoing – Commission has not yet seen bids or results from Phase II.
- Per settlement, Company will include information for all bids received and detailed CBA for all bids. Phase II report will include proposal for what, if any, NWA selected with rationale for chosen bids or for situations where no NWA are proposed.
- Agreement will use deferral and contract period for full length of forecasted grid need based on 10 year forecast.

PSCO First DSP 22A-0189E

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- Settling parties agreed to 25% safety margin for NWA, but committed to reevaluating safety margins for future DSPs.
- In next DSP, Company committed to providing full magnitude, duration and frequency of load relief requirements for any proposed candidate NWA project.