

February 5, 2023

CORE Cooperative  
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Sedalia, CO 80135

Dear Board of Directors,

Thank you for the opportunity to comment on the Notice of PURPA 1119(d) Standards Consideration. Per your CORE “Outlet” for January 2023, CORE must consider adopting two standards for promotion of demand-response and flexibility practices, and electrification of transportation. Unfortunately, the Board is seeking comments without providing any proposed plans or actions to review. Therefore, I am providing general observations for the Board to consider when debating the standards.

I sincerely hope the Board adheres to Rates and Regulations BR21-24, Part1: General Statement, effective April 4, 2022. “CORE may deviate from the Rates and Regulations if CORE finds compliance therewith to be impossible, impractical, or unnecessary, and such deviation is not contrary to law”. This premise should be used to balance the interpretation of Public Utilities Regulatory Policy Act, with CORE Rate and Regulation changes.

CORE has already adopted demand-response with Optional Time-of-Use Rider for residential “Rates”, and commercial users with On-Peak Period charges. This is comparable to Xcel’s Time-of-Use (TOU) to create behavioral customer changes to further reduce demand and thereby reduce the need for new transmission and distribution investments. Reducing demand to compensate for new growth is a balancing act destined to fail with eventual outages.

As you are aware Xcel Energy submitted to the Public Utilities Commission (PUC) over 400 pages of testimony for their Electric and Natural Gas Demand-Side Management (DSM) and Beneficial Electrification (BE) Plan for Calendar Year 2023, concurrently with the same Plan for 2023–2027 implementation. These plans are being addressed in PUC Proceedings 22A-0309EG and 22AL-0530E. Xcel’s plan(s) basically lay a path for emissions reduction milestones to meet an 80% reduction in electrical emissions and 20% in gas emissions by 2030, with the goal of 100% reduction by 2050. The PUC is claiming these actions are required to comply with Colorado Senate Bill 21-246 and Colorado House Bill 21-1238.

You are currently dealing with Xcel’s closure of the Comanche Unit 3 coal plant absolutely required for them to meet the 2030 emission reduction goals they have established with the PUC. CORE is likewise touting 80% reduction in emissions using the same Comanche coal plant closure and shift to more renewables. Unfortunately, only addressing Demand-Side Management and emissions without addressing the Supply-Side Operations and Maintenance (O&M) does not promote good decision making. It is more prudent to apply an “all of the above” approach when you are dealing with energy generation to include; coal, natural gas, wind, solar, hydro, and new small modular nuclear reactors. All the eggs in one basket generates the rolling blackouts of California, and outages like Germany and Texas who relied on renewables prematurely. Focusing primarily on emissions, does tend to ignore the need for system reliability, redundancy, maintainability, sustainability, and life cycle costs.

The PUC is now balancing Xcel rates and profits by creating (above their current 42 programs) new methods for customer behavioral changes and reduced consumption

(e.g., energy saving appliances and heat pump rebates, income qualified and disproportionately impacted communities' adjustments, expanded payment plans, home evaluations, etc.). Xcel's loss of commercial and industrial customers because of new policies and rates has resulted in their need to create a whole host of new profit incentives to compensate for diminishing returns while inserting the idealistic "Social Costs of Carbon Dioxide and Methane Emissions" from an EPA chart.

To stay profitable Xcel is now relying on being creative with Electric Energy Efficiency Incentives, Beneficial Electrification Incentives, Portfolio-wide Carbon Incentives (anything considered a Performance Incentive Mechanism), Accelerated Depreciation, collecting costs for all DSM programs, annualized fixed costs recovered through commodity sales, which are all new word salads for kickbacks.

I have talked about Xcel and PUC activity on the same subjects for the purpose of highlighting "what not to do", as CORE deliberates the adoption of new standards.

In regard to the second standard, electrification of transportation; I recommend small annual steps be taken, beginning with proposing new Sections to be included in BR21-24 and BR22-16 for public comment. Start with the creation of regulations (e.g., demand restrictions, space, and shelter) and administrative mechanisms/rates for working with residential property owners wishing to install a vehicle charging port at their residences. Determine if CORE wishes to expand or contract for installation services, or allow licensed contractor installations with CORE inspections, or all of the above using a cost/benefit analysis. Gradually, expand to include entrepreneurial charging centers under commercial and industrial demand sections using existing rates and regulations. But in no way, should existing customers pay for ANY expansion of the grid or services for transportation electrification. The individual and companies should bear the costs of electrification without non-users subsidizing their desires.

Thank you for your time and attention.

Respectfully,

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