# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF ADVICE NO.

1814 ELECTRIC OF PUBLIC SERVICE)
COMPANY OF COLORADO TO

REVISE ITS COLORADO P.U.C. NO. 8 -)
ELECTRIC TARIFF TO REFLECT A

MODIFIED SCHEDULE RE-TOU AND )
RELATED TARIFF CHANGES TO BE

**EFFECTIVE ON THIRTY-DAYS'** 

**NOTICE** 

PROCEEDING NO. 19AL-0687E

### **HEARING EXHIBIT NO. 503**

### CROSS-ANSWER TESTIMONY AND ATTACHMENTS OF

**TIM WOOLF** 

ON BEHALF OF

**ENERGY OUTREACH COLORADO** 

May 21, 2020

# **Table of Contents**

I.	INTRODUCTION AND QUALIFICATIONS	. 3
II.	SUMMARY OF CROSS-ANSWER TESTIMONY	. 3
	OPT-OUT PROVISIONS	
	PROVISION OF INTERVAL DATA TO CUSTOMERS	
1 V .	TROVIDION OF INTERVAL DATA TO COSTONIERS	. С

## **LIST OF ATTACHMENTS**

Attachment TW-10:	SWEEP/Vote Solar Response to EOC 1-6
Attachment TW-11:	SWEEP/Vote Solar Response to EOC 1-8
Attachment TW-12:	SWEEP/Vote Solar Response to EOC 1-4
Attachment TW-13	SWEEP/Vote Solar Response to EOC 1-3

1		I. INTRODUCTION AND QUALIFICATIONS
2	Q.	PLEASE STATE YOUR NAME, TITLE, AND EMPLOYER.
3	A.	My name is Tim Woolf. I am a Vice President at Synapse Energy Economics,
4		located at 485 Massachusetts Avenue, Cambridge, MA 02139.
5	Q.	ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS CASE?
6	A.	I am testifying on behalf of Energy Outreach Colorado (EOC), an independent,
7		non-profit organization in Colorado that works to help limited-income Coloradans afford
8		home energy.
9	Q.	ARE YOU THE SAME TIM WOOLF WHO SUBMITTED ANSWER TESTIMONY
10		IN THIS PROCEEDING?
11	A.	Yes, I am.
12	Q.	WHAT IS THE PURPOSE OF YOUR CROSS-ANSWER TESTIMONY?
13	A.	The purpose of my cross-answer testimony is to respond to other parties' positions
14		regarding the need for customer education and the option to choose an alternate rate, based
15		on other parties' answer testimony, as well as responses to discovery.
16		II. SUMMARY OF CROSS-ANSWER TESTIMONY
17	Q.	PLEASE SUMMARIZE YOUR TESTIMONY.
18	A.	In my cross-answer testimony, I highlight the need to implement any significant
19		changes in rate design (such as the transition to a TOU rate) with an opt-out provision,
20		rather than implementing it as a mandatory rate. I also discuss where there is alignment on
21		the opt-out provisions proposed in my answer testimony and in the proposals put forward
22		by CEO and Vote Solar and SWEEP. Finally, I address the need for customer load data to

1		be provided to customers prior to being defaulted onto the TOU rate, and I discuss the areas
2		in which my proposal is aligned with Vote Solar and SWEEP's proposal on this issue.
3	Q.	PLEASE SUMMARIZE YOUR RECOMMENDATIONS.
4	A.	I recommend that the Commission direct the Company to:
5		• Include an opt-out provision for all customers that allows customers to opt out of the
6		TOU rate for at least nine months following the transition to default TOU rates.
7		Following this period, customers should still retain the ability to opt-out subject to a
8		requirement that the customer take service on a chosen rate for a minimum of 12
9		consecutive months.
10		• Allow low-income customers to opt out of the TOU rate option at any time.
11		Maintain the existing Schedule R as an alternative rate option, in order to provide
12		customers who opt out of the TOU rate with an incentive to conserve energy (such
13		as through investments in energy efficiency).
14		• Provide paper "shadow billing" for customers for at least six months prior to
15		enrollment in TOU rates, and for at least six months following the transition to TOU
16		rates, and preferably longer.
17		III. OPT-OUT PROVISIONS
18	Q.	YOUR ANSWER TESTIMONY URGES THE COMMISSION TO REJECT THE
19		MANDATORY NATURE OF THE COMPANY'S PROPOSED MODIFIED RE-
20		TOU RATE. DO ANY PARTIES SUPPORT A MANDATORY TOU RATE?
21	A.	No. Although many parties support a default rate, every party that addressed this
22		issue proposed that there be some opt-out provision included with the rate.

# 1 Q. WHAT IS THE DIFFERENCE BETWEEN A DEFAULT RATE AND A 2 MANDATORY RATE?

As Colorado Energy Office (CEO) Witness Keith Hay states in his answer testimony, "[a] default rate is different from a mandatory rate, in that on a mandatory rate customers are automatically placed on it, but they do not have an opportunity to opt out and there are no alternative rates. It is also worth noting that a default is also different than an optional or opt-in rate, which requires a customer to actively enroll in the rate."

#### Q. DO ALL PARTIES PROPOSE THE SAME OPT-OUT PROVISIONS?

9 A. some differences with respect to which customers should be allowed to opt out,
10 how long the opt-out provision should remain in place, and what the alternative rate
11 structures should be.

# Q. ARE YOUR RECOMMENDATIONS REGARDING THE OPT-OUT PROVISION ALIGNED WITH ANY OTHER PARTIES?

Yes. CEO Witness Keith Hay and I both recommend that the Commission direct the Company to include an opt-out provision for all customers, and that the existing Schedule R be maintained as an alternative to the Modified RE-TOU, at least until other rate options are made available to customers.<sup>2</sup>

In addition, SWEEP and Vote Solar's opt-out proposal, while different from mine, would also be acceptable to me, subject to one caveat.

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<sup>&</sup>lt;sup>1</sup> Answer testimony of Keith Hay, at 20-21.

<sup>&</sup>lt;sup>2</sup> Answer testimony of Keith Hay, at 33-34.

1	Q.	WHAT IS THE OPT-OUT PROVISION PROPOSED BY SWEEP AND VOTE
2		SOLAR?
3	A.	As discussed in Mr. Gilliam's revised Answer Testimony and in response to
4		discovery requests, SWEEP and Vote Solar propose that:
5		• A customer would have nine months following the transition to default TOU rates to
6		opt out of the TOU rate and take service under Schedule R or other rate options that
7		may be available.
8		• Following the nine-month "grace period," customers would still be able to opt out of
9		TOU rates to another rate option, subject to the requirement that the customer take
10		service under a rate for a minimum of twelve consecutive months. <sup>3</sup>
11	Q.	HOW DO SWEEP AND VOTE SOLAR PROPOSE TO IMPLEMENT THE OPT-
12		OUT PROVISION FOR CUSTOMERS WHO MOVE INTO PSCO'S SERVICE
13		TERRITORY AFTER THE AMI ROLL-OUT IS COMPLETE?
14	A.	SWEEP and Vote Solar state that their proposal would allow all customers to have
15		the ability to opt out of default TOU rates, including those that move into a residence with
16		a new (to that customer) AMI meter, and that this provision would remain after the roll-
17		out of AMI is complete and all customers are transitioned to default TOU rates.4
18	Q.	DO YOU BELIEVE SWEEP AND VOTE SOLAR'S PROPOSAL IS A
19		REASONABLE?

<sup>&</sup>lt;sup>3</sup> SWEEP/Vote Solar Discovery Response to EOC 1-6, attached as **Attachment TW-10**. <sup>4</sup> SWEEP/Vote Solar Discovery Response to EOC 1-8, attached as **Attachment TW-11**.

Yes. Although this proposal places more constraints on customers' ability to optout, I believe that it is a reasonable alternative. The proposal preserves customer choice, while also providing customers with a valuable opportunity to learn more about how to respond to the TOU rate during the initial transition period without the risk of being locked into the rate for an entire year. As I discuss more below, it is critical to provide customers with usage data, education, and time in order for them to properly understand the new rate structure and how best to respond.

I also appreciate SWEEP and Vote Solar's proposal that customers may opt out to an alternative rate design following the initial transition period, even after the initial nine month window has passed. As noted in my answer testimony, the alternative rate design options should include the current Schedule R. SWEEP and Vote Solar appear to be in agreement with this recommendation, as Mr. Gilliam states that "An inclining block rate, like Schedule R, signals that the more you use, the higher your rate will be. Thus, it provides a signal to use less, but not when to use less. ... Different rate structures, and their associated price signals, will be more or less effective for different customers." 5

The IBR rate should be preserved as an alternative rate option for customers, as continuing to provide customers with an incentive to conserve energy (such as through investments in energy efficiency) is a worthwhile objective.

#### Q. WHAT IS THE CAVEAT YOU MENTIONED?

A.

<sup>&</sup>lt;sup>5</sup> Answer Testimony of Rick Gilliam, at 12, lines 8-12.

1	A.	The caveat is that low-income customers, defined at least as LEAP-qualified, but
2		hopefully under the broader definition advocated by EOC witness Andrew Bennett, should
3		maintain the ability to opt out of a default TOU rate at any time. As discussed in my answer
4		testimony, low income customers are likely to be disproportionately burdened by the
5		transition to TOU rates, not because they do not want to shift load and save money, but
6		because they generally have lower ability to shift usage than standard residential customers.
7		Thus, it is important to retain additional customer protections for these customers.
8		IV. PROVISION OF INTERVAL DATA TO CUSTOMERS
9	Q.	YOUR ANSWER TESTIMONY EXPRESSED CONCERN WITH THE LACK OF
10		LOAD SHAPE DATA AVAILABLE TO CUSTOMERS PRIOR TO BEING
11		PLACED ON A DEFAULT RATE, AND YOU RECOMMENDED THAT
12		CUSTOMERS RECEIVE SHADOW BILLING UPON RECEIVING AN AMI
13		METER FOR AT LEAST A YEAR BEFORE BEING PLACED ON ANY DEFAULT
14		RATE DESIGN. ARE YOUR RECOMMENDATIONS REGARDING THE
15		PROVISION OF DATA ALIGNED WITH ANY OTHER PARTIES?
16	A.	Yes, although SWEEP and Vote Solar's proposal is somewhat different than mine,
17		it achieves much of the same effect.
18	Q.	WHAT IS SWEEP AND VOTE SOLAR'S PROPOSAL REGARDING DATA
19		COLLECTION PRIOR TO THE TRANSITION TO TOU RATES?
20	A.	SWEEP and Vote Solar propose that the Company collect at least six months of
21		interval data prior to transitioning a customer to default TOU rates, and that customers be
22		transitioned only in January. They also propose that customers receiving a meter in Q3 or

1		Q4 would not be placed onto the default TOU rate until the following January to allow
2		more time for data collection and education. Thus, a customer would receive between 6
3		and 18 months of data regarding their load prior to being transitioned to the TOU rate. <sup>6</sup>
4	Q.	HOW DO SWEEP AND VOTE SOLAR RECOMMEND THAT THIS DATA BE
5		PROVIDED TO CUSTOMERS?
6	A.	SWEEP and Vote Solar propose that "shadow billing" be provided to customers
7		prior to enrollment in TOU rates and for the first six months following enrollment. After
8		six months, shadow billing would remain available to customers through the MyAccount
9		webpage, but would no longer be included on a customer's bill. <sup>7</sup>
10	Q.	DO YOU AGREE WITH SWEEP AND VOTE SOLAR'S APPROACH TO THE
10	Q.	DO TOO MOREE WITH SWEET MAD VOIL SOLING MITROMENT TO THE
11	Q.	PROVISION OF DATA?
	<b>Q.</b> A.	
11	-	PROVISION OF DATA?
11 12	-	PROVISION OF DATA?  Generally, yes. Prior to the transition to TOU rates, shadow bills provide critical
<ul><li>11</li><li>12</li><li>13</li></ul>	-	PROVISION OF DATA?  Generally, yes. Prior to the transition to TOU rates, shadow bills provide critical information to customers to allow them to understand how their bills will change under the
11 12 13 14	-	PROVISION OF DATA?  Generally, yes. Prior to the transition to TOU rates, shadow bills provide critical information to customers to allow them to understand how their bills will change under the new tariff, without any change in consumption. Once they have transitioned to the TOU
11 12 13 14 15	-	PROVISION OF DATA?  Generally, yes. Prior to the transition to TOU rates, shadow bills provide critical information to customers to allow them to understand how their bills will change under the new tariff, without any change in consumption. Once they have transitioned to the TOU rate, shadow billing allows the customer to determine how effective their efforts at shifting

by paper (either printed on the bill or as a paper bill insert) for at least a year following the

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<sup>&</sup>lt;sup>6</sup> SWEEP/Vote Solar Discovery Response to EOC 1-4, attached as **Attachment TW-12.** 

<sup>&</sup>lt;sup>7</sup> Answer Testimony of Justin Brant, at 40.

1		transition, rather than being provided only through the MyAccount website after six
2		months. The reason for this is that not all customers have the same access to technology or
3		the technological sophistication to be able to access this information through the website.
4	Q.	HOW DO SWEEP AND VOTE SOLAR PROPOSE TO PROVIDE DATA FOR A
5		CUSTOMER WHO MOVES DURING THE TRANSITION?
6	A.	My understanding of SWEEP and Vote Solar's proposal is as follows:
7		• During the AMI roll-out, a customer who moves to PSCo's territory, or moves to a
8		new location within the territory, would be defaulted to Schedule R, even if the
9		premise they are moving to has already had an AMI meter installed. They would then
10		receive at least six months of data prior to being transitioned to the TOU rate in a
11		subsequent January.
12		• Following the full AMI roll-out, any customer initiating service would be defaulted
13		to TOU rates, with the option to opt out to another rate option.8
14	Q.	DO YOU AGREE WITH SWEEP AND VOTE SOLAR'S RECOMMENDATION?
15	A.	While I would prefer that all customers receive one year of interval data prior to
16		being defaulted onto TOU rates, I find SWEEP and Vote Solar's recommendation
17		reasonable.
18	Q.	DOES THIS CONCLUDE YOUR TESTIMONY?
19	A.	Yes, it does.

<sup>&</sup>lt;sup>8</sup> SWEEP/Vote Solar Discovery Response to EOC 1-3, attached as **Attachment TW-13**.