

Decision No. C22-0775-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22A-0383E

IN THE MATTER OF THE VERIFIED APPLICATION OF BLACK HILLS COLORADO ELECTRIC, LLC FOR AN ORDER APPROVING EXPENSES RECOVERED THROUGH THE ENERGY COST ADJUSTMENT AND PURCHASED CAPACITY COST ADJUSTMENT IN 2021.

**INTERIM COMMISSION DECISION
REQUIRING BLACK HILLS TO CONFER WITH STAFF
AND TO SUBMIT A STATUS REPORT FILING**

Mailed Date: December 8, 2022
Adopted Date: November 30, 2022

I. BY THE COMMISSION

A. Statement

1. On August 13, 2022, Black Hills Colorado Electric, LLC (Black Hills or Company) filed an application for approval of its Energy Cost Adjustment (ECA) costs and Purchased Capacity Cost Adjustment (PCCA) costs for calendar year 2021 (Prudency Review Application).

2. This Decision directs Black Hills to confer with Staff of the Colorado Public Utilities Commission (Staff) on the development of a status report filing with proposed procedures for addressing the Prudency Review Application. Consistent with the discussion below, Black Hills shall file an appropriate pleading no later than December 16, 2022.

B. Discussion

3. Black Hills filed the Prudency Review Application on August 31, 2022 in accordance with the terms of a comprehensive settlement agreement approved in Proceeding No.

21A-0197E. Black Hills agreed to file an annual cost prudence review application to address the Company's prior calendar year's cost that were included in the ECA and PCCA. Black Hills states that its 2021 ECA and PCCA costs were reasonable and prudently incurred to provide reliable electric service to its customers.

4. On October 4, 2022, Staff timely filed a notice of intervention as of right to participate as a party in this Proceeding but did not request a hearing at that time. Staff notes that Black Hills provided six exhibits detailing the total PCCA cost for 2021 of approximately \$46.5 million and the total ECA cost for 2021 of approximately \$122 million. Staff states that it specifically seeks to examine whether: the six exhibits provide complete detail regarding system operations and the costs charged through the PCCA and ECA; the performance of the Company's owned fossil generation fleet; the Company's curtailments of renewable energy and the impact of those curtailments on ECA costs; and the Renewable Energy Standard Adjustment contribution to the ECA.

5. No other pleadings to intervene in this matter were filed.

6. The Commission deemed the Prudence Review Application complete on October 19, 2022 by minute entry from its weekly meeting that day.

7. No further pleadings have been submitted in the case since Staff filed its notice of intervention on October 4, 2022.

C. Findings and Conclusions

8. It is necessary to receive from Black Hills a report on the status of the Prudence Review Application. We therefore direct Black Hills to confer with Staff to determine whether a

hearing is required and what procedures are necessary to complete the review of the Prudency Review Application and to bring this Proceeding to a close

9. Black Hills shall file the status report, preferably in the form of a joint motion, no later than December 16, 2022.

II. ORDER

A. It is Ordered That:

1. Black Hills Colorado Electric, LLC shall confer with the Staff of the Colorado Public Utilities Commission and file a status report no later than December 16, 2022, consistent with the discussion above.

2. This Decision is effective upon its Mailed Date.

B. **ADOPTED IN COMMISSIONERS' WEEKLY MEETING November 30, 2022.**

(S E A L)



ATTEST: A TRUE COPY

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

JOHN GAVAN

MEGAN M. GILMAN

Commissioners