

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24D-0358EG

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE COMPANY OF COLORADO
FOR APPROVAL OF DEFERRED ACCOUNTING TREATMENT FOR COSTS ASSOCIATED
WITH CHANGES IN PREMIUMS FOR EXCESS LIABILITY INSURANCE.

**COMMISSION DECISION DECLINING TO ACCEPT AND
DISMISSING PETITION FOR DECLARATORY RULING**

Issued Date: September 9, 2024

Adopted Date: September 4, 2024

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a Petition for Declaratory Ruling (“Petition”) filed by Public Service Company of Colorado (“Public Service” or the “Company”) on August 23, 2024. Through the Petition, Public Service seeks Commission approval for a general accounting order to become effective on October 18, 2024 (the day upon which the Company’s renewed insurance policy takes effect) that allows it to track expenses incurred in maintaining excess liability insurance, record those expenses in a regulatory asset, and authorize deferral of such insurance costs. Public Service asks the Commission to approve the establishment of the regulatory asset before the end of the year without holding a hearing if the Petition is unopposed or if no party requests a hearing.

2. In support, Public Service states that due to increasing wildfire risk, the Company anticipates its excess liability insurance premiums to increase dramatically. The Company emphasizes that despite these increased premiums, it is still prudent for the Company to maintain

excess liability insurance to limit the risk of catastrophic claims that cause the Company to incur financial stresses and ultimately increase the costs of the Company's service. Public Service also asserts the deferral will provide needed support to facilitate the Company's obtaining of excess liability insurance and to support the Company as it faces evolving wildfire risks.

B. Findings and Conclusions

3. Because the Petition does not present an uncertainty or controversy that can be resolved by a declaratory order, we decline to accept the Petition and dismiss it. Commission Rule 1304(f)(II), 4 *Code of Colorado Regulations* ("CCR") 723-1, permits the Commission to issue a declaratory order to "terminate a controversy or to remove an uncertainty affecting a petitioner with regard to any tariff, statutory provision, or Commission rule, regulation, or order." Here, Public Service does not seek to terminate a controversy or remove an uncertainty but rather asks the Commission for approval of a regulatory asset and deferred accounting treatment for costs associated with increased excess liability insurance premiums. Pursuant to the well-established Commission rules, the approval Public Service seeks in this context cannot be granted through a petition for declaratory ruling and must instead be sought through the Commission's application processes. The Commission therefore declines to accept and dismisses the Petition pursuant to Rule 1304(f)(III), 4 CCR 723-1.

II. ORDER

A. The Commission Orders That:

1. The Petition for Declaratory Ruling filed on August 23, 2024, by Public Service Company of Colorado, is dismissed, consistent with the discussion above.

2. The 20-day time period provided by § 40-6-114(1), C.R.S., to file an Application for Rehearing, Reargument, or Reconsideration shall begin on the first day after the Commission issues this Decision.

3. This Decision is effective immediately upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
September 4, 2024.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners