

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22AL-0347E

IN THE MATTER OF ADVICE LETTER NO. 831 FILED BY BLACK HILLS COLORADO ELECTRIC, LLC DOING BUSINESS AS BLACK HILLS ENERGY FOR APPROVAL TO RECOVER COSTS ASSOCIATED WITH JOINING THE WESTERN ENERGY IMBALANCE SERVICES MARKET OPERATED BY THE SOUTHWEST POWER POOL AND TO CREDIT SPP WEIS MARKET SALE REVENUES TO CUSTOMERS THROUGH THE ELECTRIC COST ADJUSTMENT TARIFF, TO BECOME EFFECTIVE SEPTEMBER 2, 2022.

**COMMISSION DECISION SUSPENDING EFFECTIVE
DATE OF TARIFF SHEETS, REFERRING THE MATTER
TO AN ADMINISTRATIVE LAW JUDGE, AND
ESTABLISHING NOTICE AND INTERVENTION PERIOD**

Mailed Date: August 22, 2022

Adopted Date: August 17, 2022

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY SUBMITTING A WRITTEN COMMENT THROUGH <https://puc.colorado.gov/> INDICATING PROCEEDING NO. 22AL-0347E. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS MATTER, YOU MUST REQUEST PERMISSION FROM THE COMMISSION TO BE AN INTERVENOR (EVEN IF YOU HAVE ALREADY FILED AN OBJECTION). ANYONE DESIRING TO INTERVENE MUST CAREFULLY FOLLOW THE LAW AND COMMISSION RULES FOR BECOMING AN INTERVENOR. FOR FURTHER INFORMATION ON HOW TO INTERVENE, CALL (303) 894-2070 (PUC EXTERNAL AFFAIRS OFFICE).

I. BY THE COMMISSION

A. Statement

1. On August 2, 2022, Black Hills Colorado Electric, LLC d/b/a Black Hills Energy (Black Hills or Company) filed Advice Letter No. 831 with tariff sheets modifying its Electric Cost Adjustment (ECA) tariff to provide for the recovery of certain costs associated with Black Hills' participation in the Western Electric Imbalance Services (WEIS) Market operated by the

Southwest Power Pool (SPP) and to account for the revenues associated with the Company's participation in the WEIS Market as credits to the ECA.

2. This Decision sets for hearing the tariff sheets filed by under Advice Letter No. 831 and suspends their effective date to December 31, 2022.

3. We refer the matter to an Administrative Law Judge (ALJ).

4. A pleading to intervene in this matter may be filed by any person, firm, or corporation desiring to be a party and fully participate in this proceeding no later than September 16, 2022.

B. Discussion

5. Through Advice Letter No. 831, Black Hills seeks to address the costs and revenues associated with its participation in the WEIS Market through the Company's ECA. Specifically, Black Hills seeks: recovery of software and information technology upgrade costs prior to joining the WEIS Market; recovery of a one-time entry fee and ongoing annual administration fees associated with participation in the WEIS Market; and the provision of credits to the ECA when Black Hills is in a net sales position for a given period.

6. Black Hills explains that it is not requesting a rate change through the Advice Letter at this time and there is no immediate revenue effect or bill impact. The tariff changes will allow future changes to the ECA, which the Company expects to begin in the second quarter of 2023.

7. Black Hills filed the Direct Testimony of witnesses Michael Harrington and Seth Nelson with Advice Letter No. 831. Through his pre-filed testimony, Mr. Harrington estimates the residential bill impact will be about \$0.09 or 0.07 percent per month.

C. Conclusions and Findings

8. Pursuant to § 40-6-111(1), C.R.S., the Commission may suspend tariff sheets for 120 days. We find good cause to suspend the tariff sheets submitted with Advice Letter No. 831 for 120 days through December 31, 2022 and set the matter for hearing.

9. We refer this matter to an Administrative Law Judge (ALJ).

10. A pleading to intervene may be filed by any person, firm, or corporation desiring to be a party and fully participate in this proceeding, as ordered below. The filing of any other document protesting the tariff sheets shall not allow participation as an intervenor in this matter.

II. ORDER**A. The Commission Orders That:**

1. The proposed September 2, 2022 effective date of the tariff sheets filed with Advice Letter No. 831 filed by Black Hills Colorado Electric, LLC on August 2, 2022, is suspended until December 31, 2022, or until further order of the Commission.

2. The matter is referred to an Administrative Law Judge. The Administrative Law Judge shall set a hearing date, rule on interventions, and establish other procedures by separate decision(s).

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariff pages, who desire to intervene and participate as a party in this proceeding shall file a motion to intervene with the Commission no later than September 16, 2022 and shall serve a copy of the notice or motion on Public Service's attorney of record.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
August 17, 2022.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

JOHN GAVAN

MEGAN M. GILMAN

Commissioners