Decision No. R19-1045-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19A-0352G

IN THE MATTER OF THE APPLICATION OF COLORADO NATURAL GAS, INC. FOR APPROVAL OF A QUALITY OF SERVICE PLAN.

INTERIM DECISION OF ADMINISTRATIVE LAW JUDGE ROBERT I. GARVEY GRANTING MOTION TO HOLD PROCEDURAL SCHEDULE IN ABEYANCE AND SCHEDULING HEARING ON SETTLEMENT

Mailed Date: December 30, 2019

I. <u>STATEMENT</u>

1. As part of the Stipulation and Settlement Agreement (Settlement) in Proceeding No. 18AL-0305G, Colorado Natural Gas Inc. (CNG), the Office of Consumer Counsel (OCC), and Trial Staff of the Commission (Staff) agreed to collaborate on a Quality of Service Plan (QSP), which CNG was to file within six months of the effective date of the final decision in Proceeding No. 18AL-0305G. The Settlement was approved through Decision No. R18-0972, issued November 1, 2018. After a brief extension of time was granted for CNG to make the agreed-to QSP filing, CNG initiated this proceeding by filing its QSP on June 20, 2019. Through its Application, CNG proposes "to capture and monitor data"¹ in key areas. CNG notes that this is its "first QSP" and proposes a three-year period of data collection only, with "no associated goals, and no penalties or incentives."²

¹ Application at p. 1.

² *Id.* at p. 2.

Decision No. R19-1045-I

2. The OCC and Staff, each of which was a party to the Settlement, timely filed notices of intervention as of right and each requests a hearing on the Application. No other potential parties request intervention. Therefore, the parties in this proceeding are CNG, Staff, and the OCC.

3. In referring the proceeding to an Administrative Law Judge (ALJ) the Commission required CNG to file additional supporting testimony to address enforcement mechanism(s) that could apply to its QSP. The Commission stated that the supplemental direct testimony shall include, at a minimum, potential negative incentives³ that the Company proposes to ensure quality of service is maintained by the Company over the term of the QSP.

4. The Commission required each party to support its positions in this proceeding fully through testimony and evidence. Proposals regarding incentives, at a minimum, must demonstrate that the magnitude and proposed implementation of the incentive is at an adequate level to ensure CNG's quality of service is maintained. If negative incentives would be incurred, the party proposing the incentive must demonstrate that the negative incentive is reasonable for the Company from a financial perspective.

5. On August 23, 2019, by Decision No. C19-0706-I, the above captioned proceeding was referred to an ALJ.

6. On September 6, 2019, by Decision No. R19-0738-I, a prehearing conference was scheduled for October 8, 2019.

³ Enforcement mechanisms and negative incentives for QSP filings have traditionally been included as customer refund amounts or billing credits. The Commission required CNG to propose a negative incentive at a minimum in Decision No. C19-0706-I.

7. On October 1, 2019, CNG filed its Unopposed Motion to Vacate Prehearing Conference and Accept Procedural Schedule.

8. On October 4, 2019 by Decision No. 0817-I, the prehearing conference was vacated and a procedural schedule was adopted.

9. On December 19, 2019, CNG filed its Unopposed Motion to Hold Procedural Schedule in Abeyance and Schedule a Hearing on the Stipulation and Settlement Agreement (Unopposed Motion). In the Unopposed Motion, CNG states that the parties have reached a settlement and request that the evidentiary hearing be vacated and a hearing on the settlement (if necessary) be held on January 9, 2020. CNG also states that the parties will file testimony in support of the settlement.

10. Good cause is found to grant the Unopposed Motion.

II. ORDER

A. It Is Ordered That:

1. The Unopposed Motion to Hold Procedural Schedule in Abeyance and Schedule a Hearing on the Stipulation and Settlement Agreement filed by Colorado Natural Gas Inc. on December 19, 2019 is granted and response time is waived.

2. The evidentiary hearing in this matter scheduled for January 7, 8, and 9, 2020 is vacated.

3

Decision No. R19-1045-I

3. A hearing on the settlement in this matter is scheduled for the following date, at

the following time, and in the following location:

DATE: January 9, 2020

TIME: 9:00 a.m.

PLACE: Commission Hearing Room 1560 Broadway, Suite 250 Denver, Colorado

4. The hearing on the settlement may be vacated if the Administrative Law Judge

determines that it is not necessary.

- 5. The Parties shall be held to the advisements in this Decision.
- 6. This Decision is effective immediately.

(SEAL)



THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

ROBERT I. GARVEY

Administrative Law Judge

ATTEST: A TRUE COPY

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Doug Dean, Director