

Decision No. C20-0602-I

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO**

PROCEEDING NO. 20AL-0191E

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IN THE MATTER OF ADVICE LETTER NO. 1825 – ELECTRIC FILED BY  
PUBLIC SERVICE COMPANY OF COLORADO TO REVISE ITS COLORADO  
P.U.C. NO. 8 – ELECTRIC TARIFF TO IMPLEMENT A COLORADO ENERGY PLAN  
ADJUSTMENT AND REDUCE THE RENEWABLE ENERGY STANDARD ADJUSTMENT  
TO BECOME EFFECTIVE JUNE 1, 2020.

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**INTERIM DECISION VACATING PREHEARING  
CONFERENCE AND REQUIRING FILING**

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Mailed Date: August 18, 2020

Adopted Date: August 12, 2020

**I. BY THE COMMISSION**

**A. Statement**

1. This Decision vacates the prehearing conference scheduled to be held on August 20, 2020 by Decision No. C20-0518-I, and requires Public Service Company of Colorado (Public Service or the Company) to submit a filing with responses to the Commissioner questions set forth in that decision no later than August 31, 2020.

**B. Discussion**

2. On May 1, 2020, Public Service filed Advice Letter No. 1825 with tariff sheets to implement a new rate adjustment mechanism called the Colorado Energy Plan Adjustment (CEPA) and to reduce the Renewable Energy Standard Adjustment (RESA) from 2 percent to 1 percent. The proposed effective date of the tariffs filed with Advice Letter No. 1825 is June 1, 2020.

3. Public Service proposes to put into effect the CEPA to recover the regulatory asset established as a result of early retirement of two of the coal-fired generation units at the

Comanche Generating Station. Public Service states that the early retirements of Comanche 1 (by the end of 2022) and Comanche 2 (by the end of 2025) are components of the Colorado Energy Plan Portfolio approved by the Commission on September 10, 2018 in Decision No. C18-0761 in Proceeding No. 16A-0396E, Public Service's most recent Electric Resource Plan proceeding.

4. Public Service further explains that in a related case, Proceeding No. 17A-0797E, the Company sought Commission approval to: (1) modify the depreciation schedules for Comanche 1 and Comanche 2 and establish a regulatory asset to account for the costs of the accelerated depreciation; and (2) reduce the RESA from 2 percent to 1 percent and implement the CEPA at 1 percent of retail revenue coincident with the RESA reduction.

5. Through Decision No. C20-0410, issued May 29, 2020, the Commission set this matter for hearing *en banc* and suspended the effective dates of the tariff pages filed with Advice Letter No. 1825 pursuant to § 40-6-111(1), C.R.S. The Commission also set the intervention period. The Commission further explained that, before addressing the tariffs filed with Advice Letter No. 1825, it is necessary to examine further the proposed reductions to the RESA surcharge.

6. Through Decision No. C20-0518-I, issued July 16, 2020, the Commission posed specific questions to Public Service regarding the proposed reduction of the RESA from 2 percent to 1 percent. The Commission further required the parties to confer and provide, no later than August 7, 2020, a proposed procedural schedule that includes timing for the Company's response to the Commissioner questions. The Commission further scheduled a prehearing conference for August 20, 2020.

7. On August 7, 2020, Public Service filed a proposed “procedural process and schedule” reflecting the Company’s conferral with the parties. The proposal entails a written response to the questions issued to Public Service in Decision No. C20-0518-I to be filed no later than August 31, 2020, followed by a “check-in with the Commission” to determine if additional information and an evidentiary hearing are necessary to approve implementation of the tariff sheets in this Proceeding. Public Service states that before submitting the responses, the Company will confer with the parties on the content of these responses and will include the results of this conferral in its filing. Public Service further states that this proposed process provides the Commission with additional information to evaluate the proposed RESA reduction to make its public interest determinations, while deferring any commitment to multiple rounds of comments and/or a full evidentiary hearing until after the parties and the Commission evaluate the sufficiency of Public Service’s responses.

8. The parties propose various dates for more processes should the Commission find it necessary.

9. Public Service states that it seeks resolution of the matter in time for rate changes to take effect no later than January 1, 2021.

### **C. Conclusions and Findings**

10. We direct Public Service to file responses to the questions set forth in Decision No. C20-0518-I no later than August 31, 2020. The responses shall include a report on the Company’s conferral with the parties as proposed in the August 7, 2020 filing.

11. We vacate the prehearing conference scheduled for August 20, 2020. We conclude, based on Public Service’s filing of August 7, 2020, that a prehearing conference conducted prior to our review of the August 31, 2020 filing is unnecessary.

12. Upon review of the August 31, 2020 filing by Public Service, additional procedures for this Proceeding will be adopted, as necessary, by a separate decision.

**II. ORDER**

**A. It Is Ordered That:**

1. The prehearing conference in this matter scheduled for August 20, 2020 is vacated.

2. Public Service Company of Colorado (Company) shall file, no later than August 31, 2020, responses to the questions set forth in Decision No. C20-0518-I. The filing shall include a report on the Company's conferral with the parties in this Proceeding regarding the content of the responses, consistent with the discussion above.

3. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
August 12, 2020.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,  
Director

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

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JOHN GAVAN

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MEGAN M. GILMAN

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Commissioners