

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

PROCEEDING NO. 24R-0559EG

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IN THE MATTER OF MODIFICATIONS TO THE COMMISSION’S RULES REGULATING ELECTRIC UTILITIES, 4 CODE OF COLORADO REGULATIONS 723-3, AND ITS RULES REGULATING GAS UTILITIES, 4 CODE OF COLORADO REGULATIONS 723-4, TO IMPLEMENT CERTAIN PROVISIONS FROM SENATE BILL 23-292 REGARDING BEST VALUE EMPLOYMENT METRICS AND ENERGY SECTOR PUBLIC WORKS PROJECTS.

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**COMMISSION DECISION GRANTING EXCEPTIONS TO  
DECISION NO. R25-0669 AND ADOPTING RULES**

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Issued Date: November 17, 2025

Adopted Date: October 29, 2025

**I. BY THE COMMISSION**

**A. Statement**

1. Through this Decision, the Commission grants the exceptions filed by Public Service Company of Colorado (“Public Service”) in response to Recommended Decision No. R25-0669, issued September 18, 2025 (“Recommended Decision”) that adopts amendments to the Commission’s Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* (“CCR”) 723-3 (“Electric Rules”), and its Rules Regulating Gas Utilities, 4 CCR 723-4 (“Gas Rules”).

2. The Commission opened this proceeding through its Notice of Proposed Rulemaking (“NOPR”) issued December 24, 2024, to amend the Electric Rules and Gas Rules.<sup>1</sup> consistent with Senate Bill (“SB”) 23-292.

3. In accordance with statutory requirements, this rulemaking amends and adds rules relating to the Commission’s consideration of labor issues. Among the changes adopted by the

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<sup>1</sup> Decision No. C24-0940.

Recommended Decision are an expansion of the list of Best Value Employment Metrics (“BVE Metrics”) to be reported to the Commission and definitions and requirements for Energy Sector Public Works Projects (“ESPW Projects”) which impact certain energy projects of specified dollar and capacity amounts.

4. In response to the Recommended Decision, Public Service filed limited exceptions seeking to clarify certain definitions and to correct an internal reference. No responses to Public Service’s exceptions were filed. As discussed below, we grant the requested revisions and otherwise adopt the Recommended Decision. Updated rules are attached with these minor changes and clarifications, in clean and redline format.

#### **B. Background**

5. The statutory authority for the rules adopted here is found at §§ 24-4-101 *et seq.*; 24-92-302, 303, 304, 305, 306, and 307; 40-2-108; 40-2-129; 40-2-134; 40-3.2-105.5 and 105.6, C.R.S.

6. On December 24, 2024, the Colorado Public Utilities Commission initiated this proceeding by issuing a NOPR to amend the Electric Rules and Gas Rules. The Commission intended to establish rules that that implement and clarify SB 23-292 directives around BVE Metrics and ESPW Projects, while also addressing the 2022 Colorado Office of the State Auditor’s audit report (“2022 Audit Report”) on the Commission’s implementation of BVE Metrics. The Commission recognized the need to ensure that energy infrastructure investment by regulated utilities takes into consideration specific labor metrics and requirements as outlined in SB 23-292 and the 2022 Audit Report, in a manner appropriate to the Commission’s authority and decision-making process.

7. The NOPR addressed the recent statutory changes as well as other relevant background on how the Commission has considered labor issues and BVE Metrics in past proceedings. The NOPR proposed changes to Electric Rules 3001, 3102, 3605, 3611, 3613, 3616, 3617, and 3618, the addition of Rule 3211, and updated internal references in Rule 3656. It also proposed changes to Gas Rules 4001 and 4102, the addition of Gas Rule 4211, and updated internal references in Rules 4553, 4731, and 4733. The NOPR described those changes in detail and the justification for those changes, attached the rules in redline/strikeout format and in clean (legislative) versions, established deadlines for the initial comment period, and referred the proceeding to an Administrative Law Judge (“ALJ”).

8. On March 4, 2025, the ALJ held the public comment hearing noticed in the NOPR. The ALJ discussed the proposed rules and the initial and response comments with the participants at the hearing. The Rocky Mountain Environmental Labor Coalition, the Colorado Building and Construction Trades Council, and AFL-CIO (“the Labor Coalition”) and Public Service committed to work collaboratively and with other interested participants to reach consensus and/or identify areas of disagreement regarding the proposed rules. The ALJ continued the public comment hearing to May 20, 2025 and established additional comment deadlines.

9. Following the submission of proposed blue-lined changes to the rules filed by Public Service and supported by many of the rulemaking participants (“Consensus Rules”),<sup>2</sup> the ALJ held the continued public hearing on May 20, 2025. After discussion of the proposed blue-lined changes to the rules with the rulemaking participants, the ALJ continued the public comment hearing to August 19, 2025.

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<sup>2</sup> Public Service’s Third Status Report and Blueline Edits, filed April 21, 2025.

10. Through Decision No. R25-0537-I issued on July 22, 2025, the ALJ made further changes to the blue-lined changes to clarify the rules and set additional comment deadlines.

11. The ALJ held the continued public comment hearing on August 19, 2025, and discussed the proposed rules and the additional rounds of comments with the participants. The ALJ then adjourned the hearing.

12. On September 18, 2025, the ALJ issued the Recommended Decision to adopt the updates to the Electric Rules made in Attachments A and B of the referenced decision, and the updates to the Gas Rules made in Attachments C and D.

### **C. Exceptions**

13. On October 8, 2025, Public Service timely filed limited exceptions seeking to clarify certain definitions and to correct an internal reference. Specifically, Public Service recommends that Rules 3001(p) and 4001(y) be amended to remove a duplicative reference to the \$5000,000 threshold of ratepayer funding for ESPW Projects, which in the Recommended Decision's adopted rules is contained in both Electric Rule 3001(p)(I)(D) and Rule 3001(p)(I)(C), and in Gas Rule 4001(y)(IV) and Rule 4001(y)(III), respectively. Public Service proposes removing the \$500,000 threshold from Rule 3001(p)(I)(D) and Rule 4001(y)(IV).

14. Additionally, Public Service recommends that an internal citation be corrected in Rule 3211(c)(III), which concerns projects that satisfy the labor requirements of the Inflation Reduction Act. Public Service explains that Rule 3211(c)(III) currently cites to subparagraph 3211(f)(II), which concerns contracts entered into prior to March 1, 2023, but should instead cite to subparagraph 3211(f)(III), which concerns the labor requirements of the Inflation Reduction Act.

15. No responses to Public Service's exceptions were filed.

**D. Findings and Conclusion**

16. We agree with Public Service's requested changes and agree that the corrections promote clarity. With these clarifying revisions, we otherwise adopt the Recommended Decision, its reasoning, and the proposed changes to the Commission's Electric Rules and Gas Rules.

17. We appreciate the rulemaking participants' and the ALJ's efforts in reaching rules that reflect consensus as well as the statutory requirements. We believe they are an important addition for ensuring that all independent power producers play by the same rules and that we don't create a race to the bottom at the expense of labor. Additionally, we intend to closely examine the BVE Metrics in reviewing the projects that are ultimately selected in the near-term resource procurement in Proceeding No. 21A-0121E. Going forward, beyond this procurement, we believe these rules will enhance our ability to review third-party project proposals given the greatly expanded reporting requirements in the adopted rules.

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

1. The exceptions filed on October 8, 2025, by Public Service Company of Colorado to Recommended Decision R25-0669, issued September 18, 2025, are granted.

2. The Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* ("CCR") 723-3, and the Rules Regulating Gas Utilities, 4 CCR 723-4, attached to this Decision are adopted, consistent with the discussion above.

3. The rules in legislative (strikethrough/redline) format are attached to this Commission Decision as Attachment A (for Electric Rules) and Attachment C (for Gas Rules). The rules in final format are attached to this Commission Decision as Attachment B (for Electric

Rules) and Attachment D (for Gas Rules). They are also available in the Commission's E-Filings system at:

[https://www.dora.state.co.us/pls/efi/EFI.Show\\_Docket?p\\_session\\_id=&p\\_docket\\_id=24R-0559EG](https://www.dora.state.co.us/pls/efi/EFI.Show_Docket?p_session_id=&p_docket_id=24R-0559EG)

4. Subject to a filing of an Application for Rehearing, Reargument, or Reconsideration, the opinion of the Attorney General of the State of Colorado shall be obtained regarding constitutionality and legality of the rules as finally adopted. A copy of the final, adopted rules shall be filed with the Office of the Secretary of State. The rules shall be effective 20 days after publication in The Colorado Register by the Office of the Secretary of State.

5. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

6. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
October 29, 2025.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,  
Director

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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Commissioners