

Decision No. R25-0576-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24M-0493G

IN THE MATTER OF THE COMMISSION'S INVESTIGATION INTO THE COSTS OF
PUBLIC SERVICE COMPANY OF COLORADO'S GAS UTILITY INFRASTRUCTURE
PURSUANT TO SENATE BILL 23-291.

**INTERIM DECISION ADDRESSING MOTION FOR
PERMANENT VARIANCE**

Issued Date: August 11, 2025

I. STATEMENT

1. The Commission opened this Proceeding on November 14, 2024, through Decision No. C24-0824 to identify and investigate the cost causation of residential development and other development of Public Service Company of Colorado's ("Public Service" or the "Company") gas utility operations pursuant to § 40-3-121, C.R.S. The Decision also designated Commissioner Megan M. Gilman as Hearing Commissioner pursuant to § 40-6-101(2), C.R.S.

2. By this Decision, the Hearing Commissioner grants the Motion for Permanent Variances from Decision No. R25-0316-I and R25-0454-I ("Second Variance Motion") filed by Public Service on July 18, 2025, and orders additional supplemental information.

A. Background

3. Decision No. C24-0824 opened this Proceeding pursuant to § 40-3-121, C.R.S. Section 40-3-121, C.R.S. requires the Commission to identify and study specific, new large infrastructure investments. For each investment identified, the Commission must determine the extent to which new residential development or other development by a geographic area

disproportionately necessitated the investment. The proceeding must also include a cost benefit analysis of the growth in new residential development and other development to the natural gas utility customers for whom the investments were made, as well as non-participating natural gas utility customers and income qualified customers. The Commission must also determine whether alternative infrastructure, service investments, or other utility actions could mitigate impacts on non-participating or income-qualified customers and identify the up-front and service life costs and benefits of alternatives to new large infrastructure projects.

4. Interim Decision No. R25-0138-I established the work plan of the Proceeding in an effort to increase transparency for the public, stakeholders, and the Company of the anticipated timing and general methodology of the Commission's study. The work plan includes a comment period on the work plan, plans for data compilation (addressed by this Decision), a technical workshop, publication of a report and associated comment period, and a hearing pursuant to § 40-3-121, C.R.S. Notably, the timeline for the work plan now varies significantly from what was articulated in Decision No. R25-0138-I due to multiple requested delays from the Company, including through Decision No. R25-0454-I detailed below and the current motion. Through Decision No. R25-0138-I comments were solicited from stakeholders regarding Proceeding objectives and parameters for project selection.

5. Public Service and the Colorado Office of the Utility Consumer Advocate ("UCA") filed comments on the work plan in response to Interim Recommended Decision No. R25-0138-I on March 14, 2025.

6. Interim Decision No. R25-0316-I, issued on April 23, 2025, requires Public Service to file information to be used in the Commission's cost causation investigation of residential development and other development.

7. On May 19, 2025, Public Service filed its First Variance Motion and corresponding proposed redline of Decision No. R25-0316-I.

8. By Decision No. R25-0411-I, the Hearing Commissioner scheduled a technical conference to discuss the First Variance Motion. The technical conference was held on June 6, 2025.

9. Through Decision No. R25-0454-I, the Hearing Commissioner partially granted the First Variance Motion.

B. Discussion

10. In its Second Variance Motion, the Company requests a permanent variance from certain provisions of Decision No. R25-0316-I and Decision No. R25-0454-I, including modifications of the associated timelines pursuant to Rule 1003, 1400, 1502 of the Commission's Rules of Practice and Procedure, 4 *Colorado Code of Regulations* ("CCR") 723-1. The Company requests an extension to August 29, 2025, for the following information: (1) the directives included in Paragraphs 18(a)(i), 18(a)(ii), 18(a)(x), 18(a)(xii), and 18(a)(xix) of Decision No. R25-0316-I (as modified by Decision No. R25-0454-I) for the Aspen Creek Project of the Discrete New Business Projects; (2) the directives included in Paragraphs 18(a)(i), 18(a)(ii), 18(a)(x), 18(a)(xii), and 18(a)(xix) of Decision No. R25-0316-I (as modified by Decision No. R25-0454-I) for the Aurora Highlands Lateral Project of the Discrete New Business Projects; (3) the directives included in Paragraphs 18(a)(ii), 18(a)(x), 18(a)(xii), and 18(a)(xix) of Decision No. R25-0316-I (as modified by Decision No. R25-0454-I) for the Loveland CNG Project of the Discrete New Business Projects; (4) the directives included in Paragraph 18(a)(x) for all of the Discrete New Business Projects; and (5) the directives included in Paragraph 18(b)(vi) through Paragraph

18(b)(xi) of Decision No. R25-0316-I (as modified by Decision No. R25-0454-I) for all of the Discrete Capacity Expansion Projects.

11. On August 1, 2025, the Company submitted Supplemental Responses to the directives included in: (1) Paragraphs 18(a)(i), 18(a)(x), and 18(a)(xii), of Decision No. R25-0316-I (as modified by Decision No. R25-0454-I) for the Aspen Creek Project of the Discrete New Business Projects; and (2) the directives included in Paragraphs 18(a)(ii), 18(a)(x), and 18(a)(xii) of Decision No. R25-0316-I (as modified by Decision No. R25-0454-I) for the Loveland CNG Project of the Discrete New Business Projects.¹

12. The Company states that good cause exists to grant the Second Variance Motion because it will “allow the Company to continue our robust efforts in gathering, assessing, and submitting the remaining data to the Commission, where such remaining data is more complex and difficult for the Company to acquire and provide than the information concurrently submitted today.”² The Company highlights that Decision No. R25-0454-I stated that the Company may “seek additional relief by the Commission through a motion or other filing” if it finds “additional time is necessary.”³

C. Findings and Conclusions

1. Second Variance Motion

13. The Hearing Commissioner finds good cause to grant the variance requested by the Variance Motion. However, we express frustration that the Company seeks yet another extension of time after previously providing significant influence over the schedule and data request. The Commission has a statutory duty to complete this investigation pursuant to § 40-3-121, C.R.S.,

¹ Filing of this information subsequent to Second Variance Motion moots the variance requests related to this data.

² Second Variance Motion, p. 2.

³ Decision No. R25-0454-I at ¶ 15.

and the Company's cooperation is necessary to effectuate this study. Timely and complete submissions of necessary data are a key part of that process. The Hearing Commissioner expresses further frustration with the Company's filing of a relatively long request for additional time as a part of the Second Variance request on filed on July 18, 2025 – the same day as the deadline for compliance with paragraph 18 requirements of Decision No. R25-0316-I. Certainly, the Company's inability to meet the extended deadline was knowable prior to the date it was due.

14. Decision No. R25-0316-I set forth several deadlines for compliance with the data request. In the First Variance Motion, the Company requested that the deadlines for completion be changed to rolling deadlines that the Company will make “commercially reasonable efforts” to comply with.⁴ The Company itself proposed a July 18, 2025 deadline for compliance with paragraph 18 and the Company asserted that these deadlines are more reasonable in light of the scope of the request, and the overlap with the filing of the Company's 2025 Gas Infrastructure Plan.⁵ Since the Company now purports to need more time, we grant the Second Variance Motion, but expect the Company to continue to use commercially reasonable efforts to timely provide information to the Commission. The Company shall provide the information on a rolling basis, if possible, as it did in the August 1, 2025 Supplemental Responses, prior to the new deadline established herein.

2. Additional Data Requests

15. Upon review of previously submitted data, the Hearing Commissioner finds certain Company responses thus far insufficient and requires the Company to re-submit data for compliance with: (1) paragraph 18(a)(i) and 18(a)(ii) annual usage expectation requirements of

⁴ Variance Motion, ¶¶ 21-23.

⁵ *Id.*

Decision No. R25-0316-I; and (2) paragraph 18(a)(iv) average day load requirements. It is an insufficient response to claim that because, “[n]o similar assumption is made during the planning process,”⁶ there is not a need to produce a quantitative response to these directives. The study undertaken as a part of this proceeding and mandated by § 40-3-121, C.R.S., is not limited to data the Company considered as a part of its project planning process. Conversely, the Company should produce project-specific throughput projections to comply with paragraph 18(a)(i), 18(a)(ii), and 18(a)(iv) requirements.

16. The Hearing Commissioner also finds the “Executable PSCo Response to Data Decision – Revenue Requirement” submitted on July 18, 2025, insufficient to comply with paragraphs 18(a)(xviii) and 18(b)(xii) of Decision No. R25-0316-I. The Company shall: (1) resubmit the file with all formulas intact; (2) submit all workbooks the Company produced to generate the executable file submitted on July 18, 2025, with formulas intact; and (3) submit the Company’s cost of service and rates model used when these projects were presented to the Commission for funding approval, in Excel format with formulas intact.

II. ORDER

A. It Is Ordered That:

1. The Motion for Permanent Variances from Decision No. R25-0316-I and R25-0454-I filed by Public Service Company of Colorado (“Public Service”) on June 18, 2025, is granted, consistent with the discussion above, and as modified by the filing of information on August 1, 2025, discussed in paragraph 11.

⁶ e.g. “24M-0493G - Data Decision - PSCo Response_NB-Canyons Development_PUBLIC,” filed July 17, 2025, in Proceeding No. 24M-0493G, pp 3.

2. Public Service shall also provide the information discussed in paragraph 15 and paragraph 16 above no later than August 29, 2025.
3. This Decision is effective immediately upon its Issued Date.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

MEGAN M. GILMAN

Hearing Commissioner

ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Rebecca E. White".

Rebecca E. White,
Director