

Decision No. R22-0491

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22A-0164G

IN THE MATTER OF THE VERIFIED JOINT APPLICATION OF ROCKY MOUNTAIN
NATURAL GAS LLC AND BLACK HILLS COLORADO GAS, INC., FOR A COMMISSION
DECISION TO TRANSFER CERTAIN ASSETS.

**RECOMMENDED DECISION OF
ADMINISTRATIVE LAW JUDGE
MELODY MIRBABA
GRANTING APPLICATION**

Mailed Date: August 18, 2022

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I. STATEMENT AND BACKGROUND

A. Summary

1. This Decision acknowledges Colorado Public Utilities Commission Staff's (Staff) intervention withdrawal; grants the Verified Joint Application of Rocky Mountain Natural Gas LLC (Rocky Mountain) and Black Hills Colorado Gas, Inc., (Black Hills) for a Commission Decision to Transfer Certain Assets; and vacates the procedural schedule in this matter.

B. Procedural History¹ and Background

2. On April 12, 2022, Rocky Mountain and Black Hills (collectively, the Applicants) initiated this matter by filing the above-captioned Joint Verified Application (Application).

3. Also on April 12, 2022, the Commission provided public notice of the Application.²

4. On May 19, 2022, Staff properly intervened of right.³

5. On May 25, 2022, the Commission deemed the Application complete and referred the matter to an administrative law judge (ALJ) for disposition by minute entry.

6. The ALJ scheduled an evidentiary hearing on the Application for September 29, 2022 and established a procedural schedule based on that hearing date.⁴

¹ Only the procedural history necessary to understand this Decision is included.

² Notice of Application Filed April 12, 2022 (Notice).

³ See Staff's Notice of Intervention of Right filed May 19, 2022; Decision No. R22-0342-I at 6.

⁴ Decision No. R22-0373-I (mailed June 16, 2022)

7. Based on discussions with Staff, on July 29, 2022, Rocky Mountain filed Supplemental Direct Testimony and attachments (Hearing Exhibit 104) to address certain key issues relevant to Staff's concerns in this Proceeding.⁵

8. On August 5, 2022, Staff filed a Notice of Withdrawal of Intervention (Intervention Withdrawal).

II. INTERVENTION WITHDRAWAL

9. In its Intervention Withdrawal, Staff explains that the additional information provided in the Supplemental Direct Testimony and attachments adequately addresses the issues it intended to raise at the evidentiary hearing in this matter.⁶ For that reason, Staff withdraws its Intervention and request for a hearing in this proceeding.

10. Because Staff has withdrawn its Intervention, the Application is unopposed. Given that the Application is unopposed, no hearing is requested or required, and the Application is verified and supported by facts, the ALJ will decide it under a modified procedure without a hearing, based on the record in this Proceeding.⁷

⁵ Notice of Filing Supplemental Direct Testimony and Attachments at 1 filed July 29, 2022; *see* Hearing Exhibit 104 and attachments thereto.

⁶ Intervention Withdrawal at 2-3.

⁷ *See* Rule 1403, of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations*, (CCR) 723-1.

III. FACTS

A. The Requested Transfer

11. Rocky Mountain and Black Hills seek Commission approval to transfer Rocky Mountain's three-inch Gypsum to Eagle natural gas pipeline (Gypsum pipeline) and four-inch Catherine Store natural gas pipeline (Catherine Store pipeline) (collectively, the Assets) to Black Hills, who will operate the Assets as part of its distribution system.⁸

12. Rocky Mountain is an interstate natural gas pipeline operating in central and western Colorado, providing regulated transmission and storage service to (among others), Black Hills, who is an affiliated natural gas local distribution company (LDC).⁹ Black Hills provides natural gas public utility service in numerous areas in Colorado, with approximately 180,000 residential customers and 15,000 commercial or nonresidential customers in Colorado.¹⁰

13. As relevant here, Black Hills is the LDC for El Jebel, Carbondale, Gypsum, Eagle and unincorporated Catherine.¹¹ Rocky Mountain is the upstream provider for these communities.¹²

⁸ Hearing Exhibit 100 at 1; Hearing Exhibit 102, 5: 15-16.

⁹ Hearing Exhibit 101, 6: 7-12. Hearing Exhibit 101, Attachment MJC-1 (Rocky Mountain's Colorado systems map). Rocky Mountain does not have a natural gas distribution system and does not provide "sales-for-resale service." Hearing Exhibit 101, 6: 14-15.

¹⁰ Hearing Exhibit 100 at 4; see Hearing Exhibit 101, Attachment MJC-2 (map of Black Hills' Colorado service territory).

¹¹ Hearing Exhibit 103, 6: 2-7; 7: 10-15.

¹² Hearing Exhibit 100 at 2; Hearing Exhibit 101, Attachment MJC-1 (Rocky Mountain's Colorado systems map).

14. Both of the Assets are located in high consequence areas, the risks of which Rocky Mountain addresses through its System Safety and Integrity Rider (SSIR).¹³ Among other action, through its 2019 and 2020 SSIRs, Rocky Mountain constructed new six-inch transmission pipelines that mostly run parallel to the Gypsum and Catherine Store pipelines.¹⁴ At the same time, Rocky Mountain took steps to derate the Assets to a reduced operating pressure of 40 pounds per square inch gauge (psig).¹⁵ The Gypsum pipeline was tied back into distribution outlet piping (at the Eagle Town Border Station), rendering it single-fed at 40 psig from that station.¹⁶ Likewise, the Catherine Store pipeline is now single-fed at a reduced pressure of 40 psig from the six inch distribution main.¹⁷ The Assets are no longer connected to Rocky Mountain's transmission facilities.¹⁸

15. Neither of the Assets include capitalized costs associated with either the cut and cap, or rebuilding the Eagle Town Border Station (as to the Gypsum pipeline) because those costs were driven by the 2019 and 2020 SSIR replacement projects.¹⁹

¹³ Hearing Exhibit at 2; see Hearing Exhibit 101, 9: 16-23—10: 1-8. High consequence area designation means that the potential consequences of a transmission gas pipeline accident may be significant or cause considerable harm to people and property in the area. Hearing Exhibit 102, 5: 20-22—6: 1-3. This designation typically triggers certain Pipeline and Hazardous Safety Administration's PHMSA requirements, which is a reason that Rocky Mountain constructed the new six-inch pipeline mentioned above. See *id.* at 6: 8-23—7: 1-3.

¹⁴ See Hearing Exhibit 101, 9: 22-23—10: 1-2; 10: 17-19; see Hearing Exhibit 100 at 2.

¹⁵ See Hearing Exhibit 102, 7: 5-12; see Hearing Exhibit 104, 15: 21-23—16: 1.

¹⁶ Hearing Exhibit 104, 7: 4-13.

¹⁷ *Id.* at 14: 12-14.

¹⁸ Hearing Exhibit 102, 11: 4-6.; 18: 3-4.

¹⁹ Hearing Exhibit 104, 7: 17-19; 14: 15-17—15: 1-2.

16. Rocky Mountain's new six-inch pipelines meet its operational needs in the area.²⁰ For this reason, it no longer has an operational need for the Assets and does not anticipate a future one.²¹ As such, Rocky Mountain wishes to transfer the Assets to Black Hills.²²

17. And, Black Hills has a need for the assets. Specifically, Black Hills' customers in unincorporated Catherine, Gypsum, and Eagle are isolated from its distribution network.²³ These customers are interconnected through the Assets.²⁴ Transferring the Assets will provide looping and interconnection between Black Hills' distribution infrastructure in these areas, which benefits customers by providing safeguards in the event of natural gas outages, thereby improving service reliability.²⁵ For example, if there is a gas outage on Rocky Mountain's new six-inch pipeline between Gypsum and Eagle, or between El Jebel and Catherine, Black Hills' customers in those areas could still get reliable gas service as the interconnected system is able to draw gas from multiple receipt points.²⁶

18. The Gypsum pipeline, originally constructed in 1966, is three inches in diameter, approximately seven miles long, and was operated with a maximum allowable operating pressure of 720 psig.²⁷ The Catherine Store pipeline, originally installed in 1967, is four inches in diameter,

²⁰ Hearing Exhibit 102, 18: 1-3; Hearing Exhibit 100 at 2.

²¹ Hearing Exhibit 102, 10: 10-17; 20: 7-12.

²² Hearing Exhibit 100 at 2.

²³ *Id.*; Hearing Exhibit 103, 7: 22-23—8: 1-3.

²⁴ Hearing Exhibit 100 at 2; Hearing Exhibit 103, 7: 22-23—8: 1-3. El Jebel and Carbondale are already interconnected to Black Hills' distributional infrastructure. Hearing Exhibit 100 at 2.

²⁵ *See* Hearing Exhibit 103, 9: 7-21.

²⁶ *Id.* at 10: 1-7.

²⁷ Hearing Exhibit 102, 5: 17-20.

approximately 8,900 feet long, and was operated with a maximum allowable operating pressure of 1,000 psig.²⁸ Black Hills will use the Assets at a reduced operating pressure (40 psig), which will remove their classification as high consequence area segments, and improve safety.²⁹ This will also classify the Assets as distribution assets.³⁰

19. There are no known integrity issues or deferred capital or O&M projects associated with either of the Assets, and Rocky Mountain anticipates that the Assets will be in proper working condition for the foreseeable future.³¹

20. Given that Rocky Mountain does not have a present or future operational need for the Assets, it believes that it would be imprudent to continue to operate and maintain the Assets.³² As such, if the transfer is not approved, Rocky Mountain will cease operating the Assets and will abandon them.³³ Abandoning the Gypsum pipeline would require additional construction estimated to cost approximately \$900,000 to connect customers to the new six-inch pipeline.³⁴ Black Hills estimates that it would likely need to build additional infrastructure for reliability purposes, including secondary feeders that are estimated to cost approximately \$413,000.³⁵

²⁸ *Id.* at 13: 15-18. A detailed description and map of the Catherine Store pipeline is included in Hearing Exhibit 102, 14: 15-18—17: 1-4 (Figures TAW-3 and TAW-4.).

²⁹ See Hearing Exhibit 104, 8: 3-10; 9: 4-11; 16: 10-19; Hearing Exhibit 101, 16: 20-22—17: 1-2; see Hearing Exhibit 102, 11: 16-17.

³⁰ Hearing Exhibit 103, 10: 16-17.

³¹ Hearing Exhibit 104, 7: 20-21; 10: 12-15; 15: 3-4; 17: 9-13.

³² Hearing Exhibit 102, 10: 14-17; 20: 7-12;

³³ *Id.* at 12: 4-7; 18: 15-18.

³⁴ *Id.* at 12: 8-19.

³⁵ Hearing Exhibit 103, 6: 23—7: 1-3.

21. Likewise, abandoning the Catherine Store pipeline would also require additional construction estimated to cost approximately \$465,000 to tie customers into a high pressure transmission line.³⁶ In addition, Black Hills would consider building additional infrastructure estimated to cost approximately \$465,000 to interconnect customers to the existing distribution network in El Jebel or Carbondale, which would improve reliability.³⁷

22. Transferring the Assets will help avoid these significant costs.

23. Given that both Assets are still functional and operating gas lines, transferring them to Black Hills will allow the pipelines to continue to be of value and provide gas service on behalf of Black Hills as an LDC.³⁸

24. Transferring the Assets will not result in any service changes for Rocky Mountain's and Black Hills' customers, as Rocky Mountain does not have end-use customers, and Black Hills' customers will continue to receive service as they do now.³⁹ Indeed, the only change that will be effectuated is in who owns the upstream assets used to serve these end-use customers.⁴⁰

25. Because Black Hills and Rocky Mountain are affiliated entities, there is no sales agreement or contract of sale, and the Asset transfer will be effectuated through an intercompany cash receivable (discussed below).⁴¹

³⁶ Hearing Exhibit 102, 18: 21-23—19: 1-12.

³⁷ Hearing Exhibit 103, 8: 8-16.

³⁸ Hearing Exhibit 102, 13: 4-7; 20: 1-4.

³⁹ Hearing Exhibit 101, 11: 7-17.; 12: 5-14.

⁴⁰ *Id.* at 11: 4-16; 12: 11-12.

⁴¹ Hearing Exhibit 100 at 6.

B. Purchase Amount and Regulatory Accounting for the Assets' Transfer

26. Black Hills will pay Rocky Mountain for the Assets in the amount of their net book value, \$67,923.69, through an intercompany receivable paid in cash.⁴² This transfer price is the equivalent net book value of the Assets as of December 31, 2021.⁴³

27. The transfer involves two primary components to the accounting entries, that is, property and income tax impacts.⁴⁴

28. Starting with the property impacts, Rocky Mountain will record the Assets' disposition by removing the Assets' cost and accumulated reserve on the books, which results in a debit to the intercompany receivable for the remaining net book value of \$67,923.69.⁴⁵ This will remove the Assets' original cost and the accumulated reserve from Rocky Mountain's books, while acknowledging that Rocky Mountain will receive the Assets' remaining net book value through an intercompany receivable.⁴⁶ Second, Rocky Mountain will record Black Hills' payment, thereby settling the intercompany receivable with cash.⁴⁷ Since these entries will reflect reduced property, plant, and equipment accounts and an increase in cash, they will decrease Rocky Mountain's rate base.⁴⁸

⁴² see Hearing Exhibit 101, Attachment MUC-4; see Hearing Exhibit 100 at 1 and 6.

⁴³ Hearing Exhibit 101, 21: 18-19.

⁴⁴ *Id.* at 21: 6-8.

⁴⁵ *Id.* at 21: 13-15; Hearing Exhibit 101, Attachment MUC-4.

⁴⁶ Hearing Exhibit 101, 21: 15-18.

⁴⁷ *Id.* at 21: 19-20; Hearing Exhibit 101, Attachment MUC-4.

⁴⁸ Hearing Exhibit 101, 21: 20-23.

29. Black Hills' property accounting entries will mirror Rocky Mountain's. It will record the Assets' acquisition by debiting the plant account and crediting the accumulated reserve account at the net book value amount that came off Rocky Mountain's books, resulting in an intercompany payable to Rocky Mountain.⁴⁹ Doing so will add the Assets' historic costs and the accumulated reserve to Black Hills' books while recognizing Black Hills' intercompany payable to Rocky Mountain.⁵⁰ Second, Black Hills will record its payment of the net book value amount to Rocky Mountain, which settles the intercompany payable with cash.⁵¹ Since these entries will reflect increased property, plant, and equipment accounts, with a decrease in cash, they will increase Black Hills' rate base.⁵²

30. For context, a decrease of approximately \$68,000 to Rocky Mountain's rate base results in a decrease of approximately 0.06 percent of its most recently approved rate base. Similarly, an increase of approximately \$68,000 in Black Hills' rate base results in an increase to rate base of around 0.05 percent of its most recently approved rate base.⁵³ The changes to rate base associated with the transfer of the Assets will have no immediate impact on customer rates but will be reflected in future rate cases.⁵⁴ The Applicants did not attempt to model the rate impacts associated with the transfer, but estimate that Black Hills' volumetric base rates may potentially

⁴⁹ *Id.* at 22: 3-7; Hearing Exhibit 101, Attachment MUC-4;

⁵⁰ Hearing Exhibit 101, 22: 7-9.

⁵¹ Hearing Exhibit 101, 22: 9-10 Hearing Exhibit 101, Attachment MUC-4.

⁵² Hearing Exhibit 101, 22: 10-13.

⁵³ *Id.* at 18: 1-9.

⁵⁴ *Id.* at 18: 17-20.

be impacted out to the one-hundred thousandth or one-millionth digit place, while Rocky Mountain customers would likely see an insignificant decrease to base rates.⁵⁵

31. Turning to income tax impacts, Rocky Mountain will have two accounting entries, one to remove the deferred taxes associated with the Assets' transfer, and another to record its receipt of cash for accrued income taxes.⁵⁶ On the first item, Rocky Mountain's books have an estimated remaining tax basis of \$130,978 for the Assets, while the remaining book basis is \$67,924.⁵⁷ The difference in these values created a deferred tax asset. To remove the deferred tax asset from Rocky Mountain's books, it will record a debit to the deferred federal and state income tax expenses in the amount of the federal and state income tax rates multiplied by the tax loss, with the offsetting credit to a deferred tax liability account.⁵⁸ Rocky Mountain will also record a current tax receivable by debiting prepaid taxes, with the credit to current income tax expenses.⁵⁹ As to income tax impacts, Rocky Mountain will record the cash it receives from Black Hills by crediting the accrued income tax and debiting the cash for a gross amount of \$15,508.⁶⁰

32. Black Hills' income tax entries will mirror Rocky Mountain's. Specifically, because the Assets' tax basis is greater than the book basis, Black Hills will book a deferred tax asset (associated with the Assets' transfer) by debiting the deferred tax asset account.⁶¹ The credit will

⁵⁵ *Id.* at 19: 2-6.

⁵⁶ *Id.* at 22: 16-18.

⁵⁷ *Id.* at 22: 18-20.

⁵⁸ *Id.* at 22: 20-23; Hearing Exhibit 101, Attachment MUC-4.

⁵⁹ Hearing Exhibit 101, 23: 1-2; Hearing Exhibit 101, Attachment MUC-4.

⁶⁰ Hearing Exhibit 101, 23: 2-3; Hearing Exhibit 101, Attachment MUC-4.

⁶¹ Hearing Exhibit 101, 23: 4-7; Hearing Exhibit 101, Attachment MUC-4.

be posted to federal and state income tax expense accounts in the amounts of \$12,639 and \$2,869, respectively.⁶² Black Hills will debit the current tax expense accounts to recognize the tax expense and credits for the same federal and state income tax impacts.⁶³ It will also record its cash payment for the gross amount of the accrued income taxes by crediting cash for \$15,508 and debiting the prepaid taxes.⁶⁴ These entries result in Black Hills having a deferred tax asset, and a payment due to Rocky Mountain for the future-income tax benefit.⁶⁵

IV. RELEVANT LAW, FINDINGS, ANALYSIS, AND CONCLUSIONS

A. Relevant Law

33. Colorado public utilities must provide service “as shall promote the safety, health, comfort, and convenience” of its customers and the public, and that is in all respects “adequate, efficient, just and reasonable.”⁶⁶

34. The Commission has broad authority to regulate public utilities, and has jurisdiction to enforce statutes affecting public utilities.⁶⁷ That authority includes approving a public utility’s asset transfer.⁶⁸ Indeed, for the most part, under § 40-5-105(1), C.R.S., a public utility may not

⁶² See Hearing Exhibit 101, 23: 7-8; Hearing Exhibit 101, Attachment MUC-4.

⁶³ Hearing Exhibit 101, 23: 8-10.

⁶⁴ *Id.* at 23: 10-12; Hearing Exhibit 101, Attachment MUC-4.

⁶⁵ Hearing Exhibit 101, 23: 12-14.

⁶⁶ § 40-3-101(2), C.R.S.

⁶⁷ Colo. Const. art. XXV; and §§ 40-1-103(1)(a)(I); 40-3-102; 40-7-101, C.R.S.

⁶⁸ § 40-5-105(1), C.R.S.

transfer an asset without Commission approval. And, the Commission may approve an asset transfer with additional terms and conditions.⁶⁹

35. Similar to the above statute, Rule 4104(a) of the Commission's Rules Regulating Gas Utilities, 4 *Code of Colorado Regulations* (CCR) 723-4, requires Commission approval before a utility may transfer assets subject to the Commission's jurisdiction outside the normal course of business. As relevant here, an application to transfer assets must include: the information required by Rules 4002(b) and (c) for each party to the transaction; the accounting entries under the Uniform System of Accounts for each party to the transaction; any sales agreement or contract of sale relevant to the transaction; facts showing that the transaction is not contrary to the public interest; any evaluation of the benefits and detriments to each party's customers and other persons who will be impacted by the transaction; and a comparison of the kinds and costs of service rendered before and after the transaction.⁷⁰

38. When exercising any power granted to it, the Commission must give the public interest first and paramount consideration, and must ensure that public utility rates are just and reasonable.⁷¹

39. The ALJ evaluates the issues in this proceeding with the above in mind.

⁶⁹ § 40-5-105(1), C.R.S.

⁷⁰ Rule 4104(b)(I) to (VI), 4 CCR 723-4.

⁷¹ § 40-3-101(1), C.R.S.; *Public Serv. Co. of Colo. v. Public Util. Comm'n*, 350 P.2d 543, 549 (Colo. 1960), *cert. denied*, 364 U.S. 820 (1960).

B. Findings, Analysis, and Conclusions

36. The Commission has specific authority and jurisdiction over the Application and the requested asset transfer, per § 40-5-105(1), C.R.S.⁷²

37. For the reasons discussed in paragraph 17 above, The ALJ finds that transferring the Assets will benefit Black Hills and its customers by directly connecting Gypsum, Eagle and Catherine to Black Hills' infrastructure, thereby improving Black Hills' ability to provide reliable service. This is consistent with and contributes to Black Hills' ability to provide such service "as shall promote the safety, health, comfort, and convenience" of its customers and the public, and that is in all respects "adequate, efficient, just and reasonable."⁷³

38. In addition, transferring the Assets benefits Black Hills and its customers by obviating the need to build costly additional infrastructure to improve reliability.⁷⁴ Rocky Mountain's efforts to derate the Assets to a lower operating pressure (40 psig), and Black Hills' corresponding plan to operate at this pressure improves the overall safety associated with using the Assets.⁷⁵

39. Given that Rocky Mountain has no present or future need for the Assets, it makes little sense for Rocky Mountain to maintain and operate the Assets. The ALJ agrees with Rocky Mountain that doing so would be imprudent. But abandoning the Assets comes with considerable

⁷² *Supra*, ¶ 11.

⁷³ § 40-3-101(2), C.R.S.

⁷⁴ *Supra*, ¶¶ 20-21.

⁷⁵ See Hearing Exhibit 104, 8: 3-10; 9: 4-11; 16: 10-19; Hearing Exhibit 101, 16: 20-22—17: 1-2; see Hearing Exhibit 102, 11: 16-17; see *supra*, ¶¶ 14 and 18.

expense.⁷⁶ Transferring the Assets rather than abandoning them helps avoid those potentially considerable costs. This is also a reasonable and cost-effective way to relieve Rocky Mountain from being responsible for maintaining the Assets while also providing Black Hills and its customers the benefit of functional and useful pipelines. All of this benefits Rocky Mountain and its customers.

40. The Asset transfer will not change the service that Applicants provide to their customers, and instead will be a seamless ownership transfer between affiliated entities.⁷⁷

41. The purchase amount at the net book value as of December 31, 2021 is reasonable, and the proposed accounting entries accurately represent and address the Assets' transfer.⁷⁸ The resulting rate base impact is minimal, with Black Hills' rates potentially increasing out to the one-hundred thousandth or one-millionth digit place and a decrease (though insignificant) to Rocky Mountain's rates.⁷⁹

42. For all these reasons, the ALJ concludes that the requested transfer benefits the Applicants and their customers, and is in the public interest.⁸⁰

43. The ALJ finds that the Application or its attachments include the information required by Rule 4104, and otherwise meets the requirements for approval of the Asset Transfer.⁸¹

⁷⁶ *Supra*, ¶¶ 20-21.

⁷⁷ *Supra*, ¶ 12 and 24.

⁷⁸ *Supra*, ¶¶ 26-29, and 31-32.

⁷⁹ *Supra*, ¶ 30.

⁸⁰ See Rule 4104(b)(IV), 4 CCR 723-4.

⁸¹ Hearing Exhibit 100 at 1, 3-6, Hearing Exhibit 101, Attachments MJC-1 through MJC-4.

44. For the reasons an authorities discussed, the ALJ recommends that the Commission grant the Application, including its request to approve the transfer's treatment for regulatory accounting purposes.

45. In accordance with § 40-6-109, C.R.S., the ALJ now transmits to the Commission the record in this Proceeding and recommends that the Commission enter the following order.

V. ORDER

A. It is Ordered That:

1. Colorado Public Utilities Staff's (Staff) Notice of Withdrawal of Intervention is acknowledged. Staff is no longer a party to this proceeding.

2. Consistent with the above discussion, the unopposed Verified Joint Application of Rocky Mountain Natural Gas LLC, and Black Hills Colorado Gas, Inc., For a Commission Decision to Transfer Certain Assets is granted.

3. The September 29, 2022 evidentiary hearing and related procedural schedule are vacated.

4. Proceeding No. 22A-0164G is closed.

5. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

6. As provided by § 40-6-109, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

7. If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

8. If a party seeks to amend, modify, annul, or reverse basic findings of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

9. If exceptions to this Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

MELODY MIRBABA

Administrative Law Judge

ATTEST: A TRUE COPY

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

Doug Dean,
Director