

Decision No. C23-0006

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

PROCEEDING NO. 21A-0188G

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IN THE MATTER OF THE APPLICATION OF COLORADO NATURAL GAS, INC. FOR RECOVERY OF THE EXTRAORDINARY GAS COSTS RELATED TO THE EXTREME WEATHER EVENT OF FEBRUARY 13-16, 2021.

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**COMMISSION DECISION GRANTING MOTION  
TO REOPEN AND AMEND APPLICATION  
AND AMENDING APPLICATION**

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Mailed Date: January 5, 2023  
Adopted Date: January 4, 2023

**I. BY THE COMMISSION**

**A. Statement**

1. By this Decision, the Commission grants the Motion to Reopen and Amend the Application for Recovery of Extraordinary Gas Costs Related to the Extreme Weather Event of February 13-16, 2021 (Motion), filed by Colorado Natural Gas (CNG or Company). By this Decision we also re-open this Proceeding for the purpose of granting CNG's Amended Application and authorize modification of the Extraordinary Gas Cost Recovery Rider (EGCRR) consistent with the Amended Application.

**B. Discussion**

2. On March 23, 2021, by Decision No. C21-0179, the Commission opened Proceeding No. 21M-0130EG, to commence its consideration of the impacts of the extreme weather event in February 2021 (Extreme Weather Event) on the revenue requirements and rates of Colorado's investor-owned electric and natural gas utilities, including Colorado Natural Gas

(CNG or Company). The Commission directed the utilities to isolate the extraordinary costs associated with the Extreme Weather Event for the purpose of proposing discrete methods for cost recovery in separate, utility-specific proceedings.

3. By Decision No. C21-0261, issued on April 30, 2021 in Proceeding No. 21M-0130EG, the Commission permitted CNG and the other Colorado utilities to file applications to address the recovery of the costs incurred as a result of the Extreme Weather Event from their customers through rates. The Commission required such application filings to include certain information as set forth in Decision No. C21-0261

4. On May 17, 2021, CNG submitted an Application for consideration in accordance with Decision No. C21-0261.

5. On May 20, 2021, the Colorado Office of Consumer Counsel (OCC)<sup>1</sup> filed its Notice of Intervention of Right, Request for Hearing and Entry of Appearance in which it listed a series of issues they wished to investigate.

6. On May 20, 2021, the Colorado Public Utilities Commission Trial Staff (Staff) filed a Notice of Intervention as of Right, Entry of Appearance, Notice Pursuant to Rule 1007(a), and Request for Hearing.

7. On June 30, 2021, the Commission deemed the Application complete and referred it to an Administrative Law Judge (ALJ) for disposition.

8. On November 16, 2021, CNG filed the Parties' Unopposed Joint Motion for Approval of Stipulation and Settlement (Settlement) and testimony in support of the Settlement.

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<sup>1</sup> The OCC is now the Utility Consumer Advocate.

9. The Settlement was approved by Decision No. R21-0759, issued on December 1, 2021, authorizing CNG to recover approximately \$7.1 million through an Extraordinary Gas Cost Recovery Rider (EGCRR) over 24 months, with no carrying costs. On November 22, 2022, CNG filed its Motion, requesting authorization to amend its original Application to include some \$1.2 million for an operational overflow (OFO) penalty issued by Public Service of Colorado (Public Service) on September 15, 2022. The OFO penalty was incurred as a result of CNG's gas transportation service during the Extreme Weather Event.

10. In the Motion, CNG states that paragraphs 11 through 14 of the Settlement allow CNG to seek recovery of an OFO penalty through a separate application or through an amended Application. Concurrently with its Motion, CNG filed an amended application (Amended Application) requesting an order from the Commission authorizing CNG to amend its EGCRR mechanism to include Operational Flow Order (OFO) penalty amounts.

11. CNG seeks to recover the OFO penalty through the EGCRR in its Bailey/South Park and Pueblo West rate areas. CNG states that these two rate areas receive gas transportation service through Public Service, and thus incurred the OFO penalty. CNG's two other rate areas, Cripple Creek and Eastern, were not impacted by the OFO penalty.

12. CNG proposes to increase the EGCR as follows:

	<b>Estimated Monthly Increase</b>	<b>Avg. Monthly Percentage Impact</b>
<b>Bailey/SouthPark</b>		
Residential	\$ 2.96	1.90%
Commercial	\$14.69	1.97%
<b>Pueblo West</b>		
Residential	\$ 2.53	2.22%
Commercial	\$14.06	2.36%

13. Consistent with recovery of costs through the EGCR approved in Decision No. R21-0759, CNG will review the cost recovery riders every twelve months to determine if an interim true-up is necessary. At the end of the 24-month recovery period, any over- or under-collection will be flowed through the gas cost adjustment (GCA). Low-income Energy Assistance Program (LEAP) and Percentage of Income Payment Programs (PIPP) recipients are exempt from the EGCR. The Motion was unopposed. The Amended Application was noticed on November 22, 2022. No person filed an objection.

**C. Findings and Conclusions**

14. CNG’s Motion is unopposed and is consistent with the terms of the Settlement previously approved in this Proceeding.

15. We re-open this Proceeding for the purpose of CNG’s Amended Application and authorize modification of the EGCR consistent with the Amended Application.

**II. ORDER**

**A. The Commission Orders That:**

1. The Motion to Reopen and Amend the Application for Recovery of Extraordinary Gas Costs Related to the Extreme Weather Event of February 13-16, 2021, filed by Colorado Natural Gas, Inc. on November 22, 2022 is granted.

2. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration begins on the first day following the effective date of this Decision.

3. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
January 4, 2023.**

( S E A L )



ATTEST: A TRUE COPY

G. Harris Adams,  
Interim Director

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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JOHN GAVAN

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Commissioners