

Decision No. C02-640

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 02S-315EG incorrectly referred to as 02S-615EG

RE: THE INVESTIGATION AND SUSPENSION OF TARIFF SHEETS FILED BY PUBLIC SERVICE COMPANY OF COLORADO ADVICE LETTER NO. 1373 - ELECTRIC, ADVICE LETTER NO. 593 - GAS, AND ADVICE LETTER NO. 80 - STEAM.

**ORDER SUSPENDING EFFECTIVE DATE OF TARIFFS
AND NOTICE OF HEARING**

Mailed Date: June 7, 2002
Adopted Date: June 7, 2002

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY APPEARING AT THE HEARING. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS RATE MATTER, YOU MUST REQUEST PERMISSION FROM THE COMMISSION TO BE AN INTERVENOR (EVEN IF YOU HAVE ALREADY FILED AN OBJECTION). ANYONE DESIRING TO INTERVENE MUST CAREFULLY FOLLOW THE LAW AND COMMISSION RULES FOR BECOMING AN INTERVENOR. FOR FURTHER INFORMATION ON HOW TO INTERVENE CALL (303) 894-2070 (PUC EXTERNAL AFFAIRS OFFICE).

I. BY THE COMMISSION

A. Statement

1. On May 31, 2002, Public Service Company of Colorado (Public Service), filed Advice Letter No. 1373 - Electric, (attached as Exhibit 1), Advice Letter No. 593 - Gas (attached as Exhibit 2), and Advice Letter No. 80 - Steam, (attached as Exhibit 3).

2. Public Service stated that the purpose of these filing are: to place into effect in the Company's Colorado P.U.C.

No. 7 - Electric tariff, two General Rate Schedule Adjustment (GRSA) riders, to eliminate the Qualifying Facility Capacity Cost Adjustment (QFCCA), to replace the current Incentive Cost Adjustment clause with a new Electric Commodity Adjustment clause; to place into effect in the Company's Colorado P.U.C. No. 6 - Gas tariff a General Rate Schedule Adjustment (GRSA) rider; and to place into effect in the Company's Colorado P.U.C. No. 1 - Steam tariff, a new General Rate Schedule Adjustment (GRSA) rider to recover the increased cost of providing steam service. Public Service requested that the tariffs accompanying Advice Letter Nos. 1373 - Electric, 593 - Gas, and 80 - Steam become effective on 30 days' statutory notice or, in this instance, on July 1, 2002.

3. Under § 40-6-111(1), C.R.S., the Commission may, in its discretion, set the tariffs for hearing which will suspend their effective date for 120 days. Section 40-6-111(1), C.R.S., also provides that the Commission may, in its discretion, by separate order, suspend the effective date of the tariffs for an additional 90 days. Thus, the Commission has the power and authority to suspend the effective date of the tariffs for a maximum of 210 days or, in this docket, until January 27, 2003. If the Commission does not establish new rates before the expiration of the first suspension period of 120 days, or October 29, 2002 the tariffs filed by Public Service will become effective by operation of law. If the Commission further

suspends, by separate order, the effective date of the tariffs for an additional 90 days, and if no new rates are established by the Commission on or before January 27, 2003, the tariffs filed by Public Service will become effective by operation of law.

B. Findings of Fact

1. The Commission will set the proposed tariffs for hearing and will suspend their effective date because the rates contained in the tariffs may be improper.

2. A pleading to intervene may be filed by any person, firm, or corporation desiring to be a party and fully participate in this proceeding, as ordered below. The filing of any other document protesting the tariffs shall not allow participation as an intervenor in this matter.

II. ORDER

A. The Commission Orders That:

1. The effective date of the tariffs filed by Public Service Company of Colorado, on May 31, 2002, with Advice Letter Nos. 1373 - Electric, 593 - Gas, and 80 - Steam are suspended for 120 days until October 29, 2002, or until further Order of the Commission.

2. The tariffs filed by Public Service Company of Colorado, with Advice Letter Nos. 1373 - Electric, 593 - Gas, and 80 - Steam, will be set for hearing before the Commission. Hearing dates will be set by the Commission at a prehearing conference to be conducted by the Commission at the below stated

time and place. By future order, to be issued after the time for intervention has expired, the Commission will specify those matters to be discussed at the prehearing conference.

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariffs, who desire to intervene and participate as a party in this proceeding shall file a motion to intervene with the Commission within 30 days after the mailing date of this Decision, and shall serve a copy of the motion on Public Service Company of Colorado's attorney of record.

4. Public Service Company of Colorado filed exhibits and direct testimony with the above referenced Advice Letters. Except upon timely motion and for good cause shown, or by stipulation of all parties and the Staff of the Commission, no other, different or additional exhibits, witnesses, or scope of witnesses' testimonies will be permitted to be offered by Public Service in support of its direct case.

5. The time for filing of Intervenor testimony and any rebuttal testimony by Public Service Company of Colorado will be set by the Commission at the prehearing conference to be conducted in this matter. A prehearing conference is set in this matter at the following time and place:

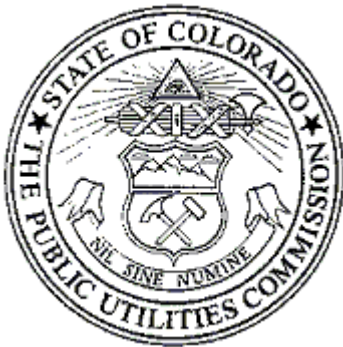
TIME: 1:30 p.m.
DATE: July 24, 2002
PLACE: Commission Hearing Room A
Office Level 2 (OL2)
Logan Tower
1580 Logan Street
Denver, Colorado

The matters to be discussed at the prehearing conference will be specified by future order of the Commission.

6. This Order is effective upon its Mailed Date.

B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING June 7, 2002.

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

POLLY PAGE

JIM DYER

Commissioners

CHAIRMAN RAYMOND L. GIFFORD
ABSENT.

EXHIBIT #1



P. O. Box 840
Denver, Colorado 80201-0840

May 31, 2002

Advice No. 1373 - Electric

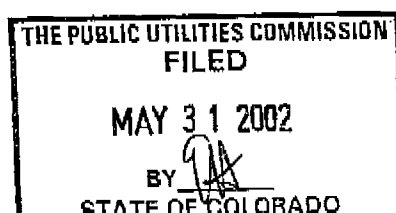
Public Utilities Commission
of the State Of Colorado
1580 Logan Street, OL- 2
Denver, Colorado 80203

The accompanying tariff sheets issued by Public Service Company of Colorado are sent to you for filing in accordance with the requirements of the Public Utilities Law:

COLORADO P.U.C. NO. 7 - ELECTRIC

and the following sheets are attached:

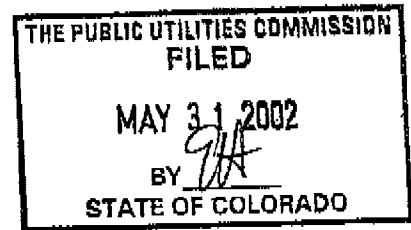
<u>Colorado P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancels Colorado P.U.C. Sheet No.</u>
Fourth Revised 4	Table of Contents	Third Revised 4
2 nd Sub Twenty-sixth Rev. 23	Rate Schedule Summation Sheet	Twenty-fifth Revised 23
First Revised 25	Schedule of Charges for Rendering Service	Original 25
Original 25A	Schedule of Charges for Rendering Service	- - -
First Revised 26	Maintenance Charges for Street Lighting Service	Original 26
First Revised 26A	Maintenance Charges for Street Lighting Service	Original 26A
First Revised 26B	Maintenance Charges for Street Lighting Service	Original 26B
First Revised 26C	Maintenance Charges for Street Lighting Service	Original 26C
First Revised 26D	Maintenance Charges for Street Lighting Service	Original 26D



Public Utilities Commission
Of the State of Colorado

Advice No. 1373 - Electric

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Fifteenth Revised	103	General Rate Schedule	Fourteenth Revised	103
		Adjustments		
Sub Eighth Revised	104B	Regulatory Plan (PBR)	Sub Seventh Revised	104B
		Adjustment		
2 nd Sub Ninth Revised	107	Demand Side	Eight Revised	107
		Management Cost		
		Adjustment		
First Revised	108	Qualifying Facility	Original	108
		(QF) Capacity Cost		
		Adjustment		
First Revised	108A	Qualifying Facility	Original	108A
		(QF) Capacity Cost		
		Adjustment		
First Revised	108B	Qualifying Facility	Original	108B
		(QF) Capacity Cost		
		Adjustment		
Second Revised	108C	Qualifying Facility	First Revised	108C
		(QF) Capacity Cost		
		Adjustment		
Sixth Revised	108D	Qualifying Facility	Fifth Revised	108D
		(QF) Capacity Cost		
		Adjustment		
Original	111	Electric Commodity	- - -	
		Adjustment		
Original	111A	Electric Commodity	- - -	
		Adjustment		
Original	111B	Electric Commodity	- - -	
		Adjustment		
Original	111C	Electric Commodity	- - -	
		Adjustment		
Original	111D	Electric Commodity	- - -	
		Adjustment		
Original	112	General Rate Schedule	- - -	
		Adjustment - Base		
		Energy Credit		

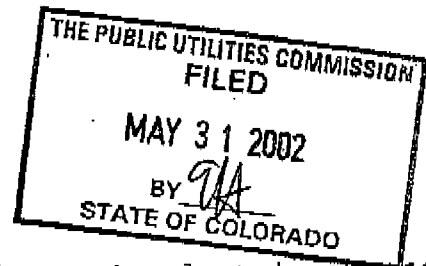
The principal proposed changes are: to place into effect in the Company's Colorado P.U.C. No. 7 - Electric tariff, two General Rate Schedule Adjustment (GRSA) riders, to eliminate the Qualifying Facility Capacity Cost Adjustment (QFCCA), to replace the current Incentive Cost Adjustment clause with a new Electric Commodity Adjustment clause, to revise the Schedule of Charges for Rendering Service, and to revise the Maintenance Charges for Street Lighting Service, all to become effective July 1, 2002, except for the new Electric Commodity Adjustment, which the Company stipulates should not become effective before January 1, 2003.

The first GRSA rider, a positive 5.17 percent reflected on Fifteenth Revised Sheet No. 103, will apply to base rates for all customers

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Of the State of Colorado

Advice No. 1373 - Electric

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receiving electric power and energy under the Company's electric tariff. The proposed positive 5.17 percent GRSA rider replaces both the currently effective negative 1.46 percent GRSA Merger rider associated with the New Century Energies merger and the currently effective negative 0.83 percent GRSA Merger Savings Cost associated with the Xcel Energy merger.

The effect of the positive 5.17 percent GRSA rider and the elimination of the merger riders on the Company's annual base rate electric revenue is an increase of \$107,083,890 based on the cost of service developed for the twelve months ending December 31, 2001. The primary reason for the increase to electric base rates included in the total proposed GRSA is to reflect the Company's current costs for providing electric services to its customers based upon the revenue requirements for the test year ending December 31, 2001, as required by the Stipulation and Agreement approved by the Commission in Decision No. C00-393, mailed April 24, 2000, in Docket No. 99A-377EG. These revenue requirements include certain allocation adjustments proposed by the Company consistent with the Company's gas and steam companion filings made this same date and to recover the increased cost of both expenses and capital expenditures associated with expanding and maintaining the Company's electric system. The Company has invested \$2.5 billion in its electric system since the end of the test year used in its last electric rate case, December 31, 1992, to meet the requirements of both new and existing customers. Implementation of the revised tariffs contained in this filing would allow the Company to increase its electric revenues and provide it with the opportunity to earn 12.00 percent return on equity and a 9.71 percent return on rate base.

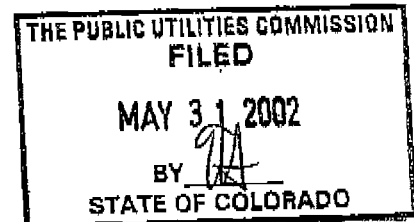
The Company is also proposing a new Electric Commodity Adjustment (ECA) and a Base Energy Credit GRSA associated with recovering the cost of energy to supply electric service beginning January 1, 2003. The total effect of the ECA and the Base Energy Credit GRSA rider on the Company's annual electric revenue is an increase of \$113,003,685 based on the projected energy costs for the twelve months ending December 31, 2003. Beginning January 1, 2003, the Company proposes to collect through the monthly ECA, all of its electric fuel and energy costs. The negative \$0.01278 per kilowatt-hour Base Energy Credit GRSA rider will offset the base electric cost currently included in all electric base rates in the Company's electric tariff.

In addition to the GRSA rider and the proposed ECA, the Company is proposing changes to the Schedule of Charges for Rendering Service, which are reflected on First Revised Sheet No. 25 and Original Sheet No. 25A, to update these charges to current cost levels. Also, the Company is proposing changes to the Maintenance Charges for Street Lighting Service, which are reflected on First Revised Sheet No. 26 to update these charges to current cost levels.

Public Utilities Commission
Of the State of Colorado

Advice No. 1373 - Electric

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The Company files this advice letter in compliance with the Commission's Decision No. C00-093, as modified by Decision No. C02-538. In Decision No. C00-093 in Docket No. 99A-377EG, the Commission approved the Stipulation and Agreement in connection with the merger between the New Century Energies, Inc. and Northern States Power Company, which required the Company to file an electric and gas Phase I rate case no later than May 1, 2002 using a calendar 2001 test year. In Decision No. C02-538, the Commission approved the Company's motion filed on April 23, 2002 for a thirty-day extension to file its rate case on May 31, 2002.

Contemporaneously filed with this advice letter are Advice No. 593 - Gas and Advice No. 80 - Steam. These companion filings are intended to allow simultaneous processing of electric, gas and steam rate issues in a single proceeding. Also, contemporaneously filed herewith are testimony and exhibits of twelve witnesses in support of the changes proposed by the Company in all three tariff filings.

The effect of this filing on the Company's annual base rate electric revenue is an increase of \$107,083,890 based on the test year of twelve months ended December 31, 2001 and \$113,003,685 based on ECA projected costs for the twelve months ending December 31, 2003. The total proposed annual increase in electric revenue is \$220,087,575.

The effect of this filing on the customers of the Company, if approved by the Commission, will be an overall increase in electric rates of 15.41 percent.

Customers of the Company receiving electric service as of the date of this filing will be notified of this filing by individual notice provided by first class mail, and by general notice published in the legal classified sections of the Denver Rocky Mountain News and The Denver Post, newspapers of general circulation in Public Service's electric service territory. A copy of the official notice is attached hereto as Appendix A.

It is requested that the changed tariffs accompanying this advice letter become effective on July 1, 2002. However, the Company stipulates to the suspension of the new ECA tariff until at least January 1, 2003 to comply with the Stipulation and Agreement in Docket No. 99A-377EG, approved by the Commission in Decision No. C00-393 dated April 24, 2000.

Public Utilities Commission
Of the State of Colorado

Advice No. 1373 - Electric


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Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to:


Fredric C. Stoffel
Vice President, Policy Development
Xcel Energy Services Inc.
1225 17th Street, Suite 1000
Denver, Colorado 80202

and

James D. Albright
Paula M. Connelly
Ann E. Hopfenbeck
Assistant General Counsel
Xcel Energy Services Inc.
1225 17th Street, Suite 900
Denver, Colorado 80202


Vice President

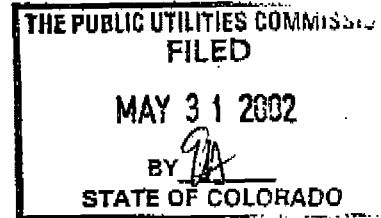
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Enclosures

THE PUBLIC UTILITIES COMMISSION
FILED
MAY 31 2002
BY 
STATE OF COLORADO



P. O. Box 840
Denver, Colorado 80201-0840

May 31, 2002



Advice No. 593 - Gas

Public Utilities Commission
of the State Of Colorado
1580 Logan Street, OL- 2
Denver, Colorado 80203

The accompanying tariff sheets issued by Public Service Company of Colorado are sent to you for filing in accordance with the requirements of the Public Utilities Law:

COLORADO P.U.C. NO. 6 - GAS

and the following sheets are attached:

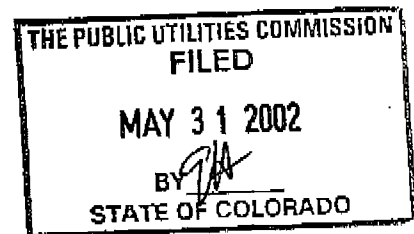
<u>Colorado P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancels Colorado P.U.C. Sheet No.</u>
Tenth Revised 3	Table of Contents	Ninth Revised 3
Thirteenth Revised 10A	Rule 10(f) Rate Components	Twelfth Revised 10A
Sub Twenty-seventh Rev. 11	Rate Schedule Summation Sheet	Twenty-sixth Revised 11
Sub Twenty-seventh Rev. 11A	Rate Schedule Summation Sheet	Twenty-sixth Revised 11A
Sub Twenty-eighth Rev. 11B	Rate Schedule Summation Sheet	Twenty-seventh Rev 11B
First Revised 12	Schedule of Charges for Rendering Service	Original 12
Second Revised 48	General Rate Schedule Adjustment	First Revised 48
Second Revised 49	Reserved for Future Use	First Revised 49

The principal proposed change is: to place into effect in the Company's Colorado P.U.C. No. 6 - Gas tariff a General Rate Schedule Adjustment (GRSA) rider to become effective July 1, 2002. The GRSA rider, a positive 0.90 percent as reflected on Second Revised Sheet No. 48, will apply to base rates for all customers receiving gas sales and transportation service under the Company's Residential General Service (Schedule RG), Residential Gas Outdoor Lighting (Schedule RGL),

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Of the State of Colorado

Advice No. 593 - Gas

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Commercial Gas Service (Schedule CG), Commercial Gas Outdoor Lighting (Schedule CGL), Interruptible Industrial Gas Service (Schedule IG), Firm Gas Transportation Service (Schedule TF), and Interruptible Gas Transportation Service (Schedule TI) in the Company's Colorado P.U.C. No. 6 - Gas tariff. The proposed positive 0.90 GRSA rider replaces and supersedes both the currently effective positive 5.23 percent GRSA rider for sales service and the currently effective positive 6.30 percent GRSA rider for transportation service, which were placed into effect on March 16, 2001, pursuant to Commission Decision No. C01-231 in Docket No. 00S-422G.

In addition to the GRSA rider, the Company is proposing changes to the Schedule of Charges for Rendering Service. The changes are reflected on First Revised Sheet No. 12 and will update the charges to current cost levels.

The primary reason for the proposed increase in gas rates is to reflect the Company's current costs for providing natural gas delivery services to its customers, based upon the revenue requirements for the test year ending December 31, 2001, as required by the Stipulation and Agreement approved by the Commission in Decision No. C00-393, mailed April 24, 2000, in Docket No. 99A-377EG. These revenue requirements include certain allocation adjustments proposed by the Company consistent with the Company's electric and steam companion filings made this same date and to recover the increased cost of both expenses and capital expenditures associated with expanding and maintaining the Company's gas system. The Company continues to experience sustained growth in its gas service territories throughout Colorado since the end of the test year in its last gas rate case, December 31, 1999. As a result, the Company has invested approximately \$106 million in its gas delivery system since its last gas rate case to meet the requirements of both new and existing customers.

The Company files this advice letter in compliance with Commission Decision Nos. C00-093, as modified by Decision No. C02-538. In Decision No. C00-093 in Docket No. 99A-377EG the Commission approved the Stipulation and Agreement in connection with the merger between New Century Energies, Inc. and Northern States Power Company, which required the Company to file an electric and gas Phase I rate case no later than May 1, 2002 using a calendar 2001 test year. In Decision No. C02-538, the Commission approved the Company's motion filed on April 23, 2002 for a thirty-day extension to file its rate case on May 31, 2002.

Contemporaneously filed with this advice letter are Advice No. 1373 - Electric and Advice No. 80 - Steam. These companion filings are intended to allow simultaneous processing of electric, gas and steam rate issues in a single proceeding. Also, contemporaneously filed herewith are testimony and exhibits of twelve witnesses in support of the changes proposed by the Company in all three tariff filings.

Public Utilities Commission
Of the State of Colorado

Advice No. 593 - Gas

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The effect of this filing on the Company's annual base rate gas revenue is a decrease of \$12,902,024 based on the twelve months ending December 31, 2001. Implementation of the revised tariffs contained in this filing would allow the Company to increase its gas revenues and provide it with the opportunity to earn 12.25 percent return on equity and a 9.84 percent return on rate base.

The effect of this filing on the customers of the Company, if approved by the Commission, will be an overall decrease in gas sales and transportation rates of negative 4.52 percent.

Customers of the Company receiving natural gas sales or transportation service as of the date of this filing will be notified of this filing by individual notice provided by first class mail, and by general notice published in the legal classified sections of the Denver Rocky Mountain News and The Denver Post, newspapers of general circulation in Public Service's gas service territory. A copy of the official notice is attached hereto as Appendix A.

It is requested that the changed tariffs accompanying this advice letter become effective on July 1, 2002.

Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to:

Fredric C. Stoffel
Vice President, Policy Development
Xcel Energy Services Inc.
1225 17th Street, Suite 1000
Denver, Colorado 80202

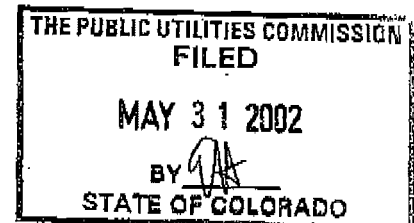
and

James D. Albright
Paula M. Connelly
Ann E. Hopfenbeck
Assistant General Counsel
Xcel Energy Services Inc.
1225 17th Street, Suite 900
Denver, Colorado 80202



Vice President

FCS:tlm
Enclosures





P. O. Box 840
Denver, Colorado 80201-0840

May 31, 2002

Advice No. 80 - Steam

Public Utilities Commission
of the State of Colorado
1580 Logan Street, OL-2
Denver, Colorado 80203

The accompanying tariff sheets issued by Public Service Company of Colorado are sent to you for filing in accordance with the requirements of the Public Utilities Law:

COLORADO P.U.C. NO. 1 - STEAM

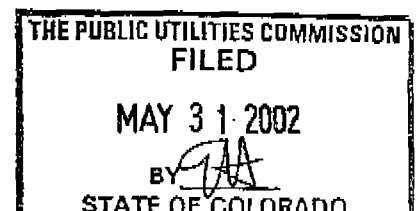
and the following sheets are attached:

<u>Colorado P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Cancels Colorado P.U.C. Sheet No.</u>
Twenty-ninth Revised 3	Rate Schedule Summation Sheet	Twenty-eighth Revised 3
Fifteenth Revised 4	Schedule of Charges for Rendering Service	Fourteenth Revised 4
Seventh Revised 11	General Rate Schedule Adjustment	Sixth Revised 11

The principal proposed change is to place into effect in the Company's Colorado P.U.C. No. 1 - Steam tariff, a new General Rate Schedule Adjustment (GRSA) rider to recover the increased cost of providing steam service.

The GRSA rider of a positive 18.09 percent, which is reflected on Seventh Revised Sheet No. 11, will apply to all customers receiving steam service under the Company's General and Commercial Service - Rate Schedule H, as contained in the Company's Colorado P.U.C. No. 1 - Steam Tariff. The proposed positive 18.09 percent GRSA rider replaces the currently effective positive 12.05 percent GRSA rider, which was placed in effect on February 6, 2000.

In addition to the GRSA rider, the Company is proposing changes to the Schedule of Charges for Rendering Service. These changes are reflected on Fifteenth Revised Sheet No. 4 and will update the charges to current cost levels.



Public Utilities Commission
of the State of Colorado

Advice No. 80 - Steam

Page 2

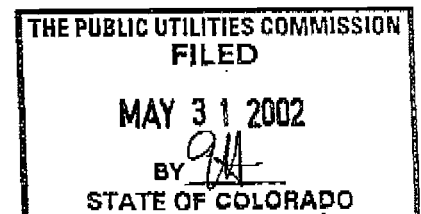
The primary reason necessitating the Company's proposal to increase steam rates is to reflect the Company's current non-fuel costs for providing steam service to its customers, based upon the revenue requirements for the test year ending December 31, 2001. These revenue requirements include certain allocation adjustments proposed by the Company consistent with the Company's electric and gas companion filings made this same date. The revenue requirements include a proposed increase to return on equity from 11.25 percent to 12.25 percent and an increase in rate base from \$11.2 million to \$13.5 million due to an increase in allocated common plant and a change in the way the Company finances its billing receivables.

Contemporaneously filed with this advice letter are Advice No. 1373 - Electric and Advice No. 593 - Gas. These companion filings are intended to allow simultaneous processing of electric, gas and steam rate issues in a single proceeding. Also, contemporaneously filed herewith are testimony and exhibits of twelve witnesses in support of the changes proposed in all three tariff filings.

The effect of this filing on the Company's annual base rate steam revenue is an increase of \$454,129 based on the twelve months ending December 31, 2001. Implementation of the revised tariffs contained in this filing would allow the Company to increase its steam revenues and provide it with the opportunity to earn 12.25 percent return on equity and a 9.84 percent return on rate base.

The effect of this filing on the customers of the Company, if approved by the Commission, will be an overall increase in steam rates of 6.04 percent.

Customers of the Company receiving steam service as of the date of this filing will be notified of this filing by individual notice provided by first class mail, and by general notice published in the legal classified sections of the Denver Rocky Mountain News and The Denver Post, newspapers of general circulation in Public Service's steam service territory. A copy of the official notice is attached hereto as Appendix A.



Public Utilities Commission
of the State of Colorado

Advice No. 80 - Steam

Page 3

The Company requests that the tariff sheets accompanying this advice letter become effective on July 1, 2002.

Please send copies of all notices, pleadings, correspondence, and other documents regarding this filing to:

Fredric C. Stoffel, Vice President
Policy Development
Xcel Energy Services Inc.
1225 17th Street, Suite 1000
Denver, CO 80202-5533


and

James D. Albright
Paula M. Connelly
Ann E. Hopfenbeck
Assistant General Counsel
Xcel Energy Services Inc.
1225 17th Street, Suite 900
Denver, CO 80202-5533



Vice President

FCS:tlh
Enclosures

THE PUBLIC UTILITIES COMMISSION
FILED
MAY 31 2002
BY 
STATE OF COLORADO