

COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

4 CODE OF COLORADO REGULATIONS (CCR) 723-4

PART 4 RULES REGULATING GAS UTILITIES

4001. Definitions.

The following definitions apply throughout this Part 4, except where a specific rule or statute provides otherwise. In addition to the definitions here, the definitions found in the Public Utilities Law and Part 1 apply to these rules. In the event of a conflict between these definitions and a statutory definition, the statutory definition shall apply. In the event of a conflict between these definitions and a definition in Part 1, these definitions shall apply.

- (a) "Advanced metering infrastructure" means an integrated system of smart electric or gas utility meters and communication networks that enables two-way communication between an electric or gas utility's data systems and the meter's internet protocol address and allows the utility to measure usage and/or connect or disconnect services remotely.
- (b) "Affiliate" of a utility means a subsidiary of a utility, a parent corporation of a utility, a joint venture organized as a separate corporation or partnership to the extent of the individual utility's involvement with the joint venture, a subsidiary of a parent corporation of a utility or where the utility or the parent corporation has a controlling interest over an entity.
- (c) "Aggregated data" means customer data, alone or in combination with non-customer data, resulting from processing (e.g., average of a group of customers) or a compilation of customer data of one or more customers from which and personal information has been removed.
- (d) "Applicant for service" means a person who applies for utility service and who either has taken no previous utility service from that utility or has not taken utility service from that utility within the most recent 30 days.
- (e) "Air Pollution Control Division" means the Air Pollution Control Division of the Colorado Department of Public Health and Environment established by § 25-1-102(2)(a), C.R.S.
- (f) "Air Quality Control Commission" means the decision-making body within the Colorado Department of Public Health and Environment established by § 25-7-104, C.R.S., to oversee and promulgate the rules to administer Colorado's air quality programs.
- (g) "Base rate" means charges used to recover costs of utility infrastructure and operations, including a return on capital investment, not otherwise recovered through a utility rate adjustment mechanism.
- (h) "Basis Point" means one-hundredth of a percentage point (100 basis points = 1 percent).

- (i) "Benefit of service" means the use of utility service by each person of legal age who resides at a premises to which service is delivered and who is not registered with the utility as the customer of record.
- (j) "Best value employment metrics" means additional labor metrics required to be obtained by a utility from bidders and contractors for a utility construction contract, specifically, the length and type of training and apprenticeship programs available to the workforce, the percentage of labor estimated to be Colorado residents as compared to out-of-state workers, the number and type of long-term careers supported by the project, whether the workforce will be covered by a labor agreement, and the wage rates and health care and pension benefits, including employer pension contribution rates, provided to protect labor.
- (k) "Biomethane" means:
 - (I) a mixture of carbon dioxide and hydrocarbons released from the biological decomposition of organic materials that is primarily methane and provides a net reduction in greenhouse gas emissions; and
 - (II) includes biomethane recovered from manure management systems or anaerobic digesters that has been processed to meet pipeline quality gas standards.
- (l) "Commission" means the Colorado Public Utilities Commission.
- (m) "Contracted agent" means any person that has contracted with a utility in compliance with rule 4030 to assist in the provision of regulated utility services (e.g., an affiliate or vendor).
- (n) "Cubic foot" means, as the context requires.
 - (I) At Local Pressure Conditions. For the purpose of measuring gas to a customer at local pressure conditions, a cubic foot is that amount of gas which occupies a volume of one cubic foot under the conditions existing in the customer's meter as and where installed. When gas is metered at a pressure in excess of eight inches of water column gauge pressure, a suitable correction factor shall be applied to provide for measurement of gas as if delivered and metered at a pressure of six inches of water column gauge pressure. A utility may also apply appropriate factors to correct local pressure measurement to standard conditions.
 - (II) At Standard Conditions. For all other purposes, including testing gas, a standard cubic foot is that amount of gas at standard conditions which occupies a volume of one cubic foot.
- (o) "Curtailment" means the inability of a transportation customer or a sales customer to receive gas due to a shortage of gas supply.
- (p) "Customer" means any person who is currently receiving utility service. Any person who moves within a utility's service territory and obtains utility service at a new location within 30 days shall be considered a "customer." Unless stated in a particular rule, "customer" applies to any class of customer as defined by the Commission or by utility tariff.

- (q) "Customer data" means customer specific information, excluding personal information as defined in paragraph 1004(x), that is:
- (I) collected from the gas meter by the utility and stored in its data systems;
 - (II) combined with customer-specific energy usage information on bills issued to the customer for regulated utility service when not publicly or lawfully available to the general public; or
 - (III) about the customer's participation in regulated utility programs, such as renewable energy, demand-side management, load management, or energy efficiency programs.
- (r) "Dekatherm" (Dth) means a measurement of gas commodity heat content. One Dekatherm is the energy equivalent of 1,000,000 British Thermal Units (1 MMBtu).
- (s) "Dedicated recovered methane pipeline" means a conveyance of recovered methane that is not a part of a common carrier pipeline system, and which conveys recovered methane from where it is generated to a common carrier pipeline or to the end user in Colorado for which the recovered methane was produced so long as the recovered methane replaces geologic gas supplied by a gas distribution utility or small gas distribution utility.
- (t) "Design peak demand" refers to the maximum gas flow rate projected for a utility system, or a portion thereof, which is utilized by a utility for gas infrastructure capacity planning.
- (u) "Disproportionately impacted community" means a geographic area defined pursuant to § 40-2-108(3)(d), C.R.S., and as may be further modified by Commission rule or order. Mapping of such geographic areas shall be conducted in accordance with the best available mapping tool developed by the Colorado Department of Public Health and Environment, until such time as a different practice is adopted by Commission rule or order.
- (v) "Distribution system" means the utility-owned piping and associated facilities used to deliver gas to customers, excluding facilities owned by a utility that are classified on the books and records of the utility as production, storage, or transmission facilities.
- (w) "Emergency or safety event or circumstance" means a manmade or natural emergency event or safety circumstance:
- (I) that prevents utility staff from being able to safely travel to or work at a customer's residence or place of business for purposes of reconnecting or making necessary repairs prior to reconnecting utility service; or
 - (II) for which a utility has dispatched utility staff members to help respond to the emergency or safety event or circumstance and, due to the timing or number of utility staff dispatched, the utility lacks sufficient trained staff to reconnect or make necessary repairs prior to reconnecting utility service at a customer's residence or place of business; and
 - (III) includes a severe weather event that one or more reputable weather forecasting sources forecasts to occur in the following twenty-four hours and that is more likely than not to

result in dangerous travel or on-site outdoor or indoor work conditions for individuals in the path of the weather event.

- (x) "Energy assistance organization" means the nonprofit corporation established for low-income energy assistance pursuant to § 40-8.5-104, C.R.S.
- (y) "Gas" means natural or geological gas; hydrogen, or recovered methane, or any mixture thereof transported by a common carrier or dedicated pipeline; flammable gas; manufactured gas; petroleum or other hydrocarbon gases including propane; or any mixture of gases injected into a pipeline and transmitted, distributed, or furnished by any utility.
- (z) "Income-qualified utility customer" or "low-income customer" is a customer meeting the requirements of § 40-3-106(1)(d)(II), C.R.S.
- (aa) "Informal complaint" means an informal complaint as defined and discussed in the Commission's Rules Regulating Practice and Procedure, 4 CCR 723-1.
- (bb) "Interruption" means a utility's inability to provide transportation to a transportation customer, or its inability to serve a sales customer, due to constraints on the utility's pipeline system.
- (cc) "Intrastate transmission pipeline" or "ITP" means generally any person that provides gas transportation service for compensation to or for another person in the State of Colorado using transmission facilities rather than distribution facilities and is exempt from FERC jurisdiction.
- (dd) "Local distribution company" (LDC) means any person, other than an interstate pipeline or an intrastate transmission pipeline, engaged in the sale and distribution of gas for end-user consumption. A LDC may also perform transportation services for its end-use customers, for another LDC or its end-use customers, as authorized under its effective Colorado jurisdictional tariffs.
- (ee) "Local government" means any Colorado county, municipality, city and county, home rule city or town, home rule city and county, or city or town operating under a territorial charter.
- (ff) "Local office" means any Colorado office operated by a utility at which persons may make requests to establish or to discontinue utility service. If the utility does not operate an office in Colorado, "local office" means any office operated by a utility at which persons may make requests to establish or to discontinue utility service in Colorado.
- (gg) "Mandatory relocation" means a project to relocate the utility's gas infrastructure as required by a federal, tribal, state, county, or local governmental body.
- (hh) "Main" means a distribution line that serves, or is designed to serve, as a common source of supply for more than one service lateral.
- (ii) "Mcf" means 1,000 standard cubic feet.
- (jj) "MMBtu" means 1,000,000 British Thermal Units, or one Dekatherm.

- (kk) "Natural gas" or "geological gas" means methane or other hydrocarbons that occur underground without human intervention and may be used as fuel.
- (ll) "Non-pipeline alternative" means programs, equipment, or actions that avoid, reduce, or delay the need for investment in certain types of new gas infrastructure and may include energy efficiency, demand response, and beneficial electrification.
- (mm) "Non-standard customer data" means all customer data that are not standard customer data.
- (nn) "Past due" means the point at which a utility can affect a customer's account for regulated service due to non-payment of charges for regulated service.
- (oo) "Pipeline system" means the utility-owned piping and associated facilities used in the transmission or distribution of gas.
- (pp) "Principal place of business" means the place, in or out of the State of Colorado, where the executive or managing principals who directly oversee the utility's operations in Colorado are located.
- (qq) "Pressure district" means a localized area within a utility's service territory whereby an established minimum and maximum pressure range is intended to be maintained and is distinct from neighboring regions.
- (rr) "Property owner" means the legal owner of government record for a parcel of real property within the service territory of a utility. A utility may rely upon the records of a county clerk for the county within which a parcel of real property is located to determine ownership of government record.
- (ss) "Pyrolysis" means the thermochemical decomposition of material at elevated temperatures without the participation of oxygen.
- (tt) "Qualifying communication" means one of the following methods of communicating with a utility customer about a possible upcoming disconnection of service:
 - (I) a physical visit to the customer's premises during which a utility representative speaks with the customer and provides the customer utility assistance information or, if the customer is not available to speak, leaves notice of proposed disconnection and utility assistance information for the customer's review; or
 - (II) a telephone call, text, or e-mail to the customer's last-known telephone number or email address in which:
 - (A) the utility representative provides the customer with notice of the proposed disconnection and utility assistance information; and
 - (B) the utility representative either speaks directly with the customer over the telephone or the customer receives the utility representative's text or email.

- (uu) "Rate adjustment mechanism" or "rate rider" means a charge added to a utility bill, which is adjusted on a regular or periodic basis outside of a base rate proceeding, to recover a specific cost that is not part of the base rate.
- (vv) "Recovered methane" means any of the following that are located in the State of Colorado and meet the recovered methane protocol approved by the Air Quality Control Commission: biomethane; methane derived from municipal solid waste, the pyrolysis of municipal solid waste, biomass pyrolysis or enzymatic biomass, or wastewater treatment; coal mine methane as defined in § 40-2-124(1)(a)(II), C.R.S, the capture of which is not otherwise required by law; or methane that would have leaked without repairs of the gas distribution or service pipelines from the city gate to customer end use.
- (ww) "Regulated charges" means charges billed by a utility to a customer if such charges are approved by the Commission, presented on a tariff sheet, or contained in a tariff of the utility.
- (xx) "Sales customer" or "full service customer" means a customer who receives sales service from a utility and is not served under a utility's gas transportation service at that same meter.
- (yy) "Sales service" means a bundled gas utility service in which the utility both purchases gas commodity for resale to the customer and delivers the gas to the customer.
- (zz) "Security" includes any stock, bond, note, or other evidence of indebtedness.
- (aaa) "Service lateral" means that part of a distribution system from the utility's main to the entrance to a customer's physical location.
- (bbb) "Standard conditions" means gas at a temperature of 60 degrees Fahrenheit and subject to an absolute pressure equal to 14.73 pounds per square inch absolute.
- (ccc) "Standard customer data" means customer data maintained by a utility in its systems in the ordinary course of business.
- (ddd) "Standby capacity" means the maximum daily volumetric amount of capacity reserved in the utility's system for use by a transportation customer, if the customer purchased optional standby service.
- (eee) "Standby supply" means the daily volumetric amount of gas reserved by a utility for the use by a transportation customer should that customer's supply fail, if the customer purchased optional standby service.
- (fff) "Test year" means a twelve-month period that is examined to determine a utility's costs of service in a rate case.
- (ggg) "Third party" means a person who is not the customer, an agent of the customer who has been designated by the customer with the utility and is acting on the customer's behalf, a regulated utility serving the customer, or a contracted agent of the utility.
- (hhh) "Transportation" means the exchange, forward-haul, backhaul, flow reversal, or displacement of gas between a utility and a transportation customer through a pipeline system.

- (iii) "Transportation customer" means a person who, by signing a gas transportation agreement, elects to subscribe to gas transportation service offered by a utility.
- (jjj) "Unique identifier" means customer's name, mailing address, telephone number, or email address that is displayed on a bill.
- (kkk) "Unregulated charges" means charges that are billed by a utility to a customer and that are not regulated or approved by the Commission, are not contained in a tariff, and are for service or merchandise not required as a condition of receiving regulated utility service.
- (lll) "Utility" means a public utility as defined in §§ 40-1-103 and 40-3-102.5(1)(d)(III), C.R.S., providing sales service or transportation service (or both) in Colorado. This term includes both an ITP and an LDC.
- (mmm) "Utility assistance information" means information that a utility representative provides a customer informing the customer that the customer may contact 1-866-HEAT-HELP (1-866-432-8435) to determine if the customer qualifies for utility bill payment assistance.
- (nnn) "Utility service" or "service" means a service offering of a utility, which service offering is by the Commission.
- (ooo) "Whole building data" means the sum of the monthly gas use for either all service connections at a building on a parcel of real property or all buildings on a parcel of real property.

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[indicates omission of unaffected rules]

OPERATING AUTHORITY

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[indicates omission of unaffected rules]

4109. New or Changed Tariffs.

- (a) A utility shall file with the Commission any new or changed tariffs. No new or changed tariff shall be effective unless it is filed with the Commission and either is allowed to go into effect by operation of law or is approved by the Commission.
- (b) A utility shall may use one of the following filing processes ~~to seek~~ to add a new tariff or to change an existing tariff ~~other than a tariff setting forth a base rate. If the new tariff represents an increase in the utility's rates, charges, fees, fares, tolls, rentals, or classifications, the utility shall include a rate trend report with the elements in subparagraphs 4109(e)(I) through (IV).~~
 - (I) The utility may file the proposed ~~new~~ tariff, including the proposed effective date, accompanied by an advice letter pursuant to rule 1210. The utility shall provide notice in accordance with rule ~~4206~~ 1207. If the Commission does not suspend the proposed tariff

in accordance with rule 1305 prior to the tariff's proposed effective date, the proposed tariff shall take effect on the proposed effective date.

- (II) The utility may file an application to implement a new-proposed tariff on less than 30-days' notice, accompanied by the proposed tariff, including the proposed effective date. The application shall include the information required in paragraphs 4002(b) and 4002(c); shall explain the details of the proposed tariff, including financial data if applicable; shall state the facts which are the basis for the request that the proposed tariff become effective on less than 30 days' notice; and shall identify any prior Commission action, in any proceeding, pertaining to the present or proposed tariff. If the application is approved by the Commission, the utility shall file a compliance advice letter and tariff which tariff shall be the same in substance as was approved by decision. The advice letter and tariff shall be filed in a new proceeding with the prescribed notice period either in the decision or pursuant to paragraph 1207(g). ~~In order to be eligible to make a compliance advice letter filing on less than 30 days' notice if the application is approved by the Commission, the utility shall provide notice in accordance with rule 1207 at the time of the application filing for any rate, fare, toll, rental, charge, classification, or in any rule, regulation, or contract relating to or affecting any rate, fare, toll, rental, charge, classification, or service or in any privilege or facility.~~
- ~~(c) A utility shall use the following filing process to change an existing tariff for a rate adjustment mechanism. A filing to increase a rate, charge, fee, fare, toll, rental, or classification pursuant to a tariff for an existing rate adjustment mechanism also shall include a rate trend report in accordance with paragraph 4109(e).~~
- ~~(I) The utility may file the proposed change to the tariff, including the proposed effective date, accompanied by an advice letter pursuant to rule 1210. The utility shall provide notice in accordance with rule 1207. If the Commission does not suspend the proposed tariff in accordance with rule 1305 prior to the tariff's proposed effective date, the proposed tariff shall take effect on the proposed effective date.~~
- ~~(II) The utility may file an application to implement the change to the tariff on less than 30-days' notice, accompanied by the proposed tariff, including the proposed effective date. The utility shall provide notice in accordance with rule 1207. The application shall include the information required in paragraphs 3002(b) and 3002(c); shall explain the details of the proposed tariff, including financial data if applicable; shall state the facts which are the basis for the request that the proposed tariff become effective on less than 30-days' notice; and shall note any prior Commission action, in any proceeding, pertaining to the present or proposed tariff.~~
- ~~(d) A utility shall use the following filing process to change a tariff setting forth a base rate. A filing to increase a base rate also shall include a rate trend report in accordance with paragraph 4109(e).~~
- ~~(I) The utility shall file the proposed new tariff, including the proposed effective date, accompanied by an advice letter pursuant to rule 1210. The utility shall provide notice in accordance with rule 1207.~~
- ~~(II) The Commission shall certify the advice letter filing for completeness in accordance with paragraph 4109(f).~~

- (ec) A utility tariff filing, either by an advice letter or an application, that introduces or increases any rate, charge, fee, fare, toll, rental, or classification shall include a rate trend report. ~~Unless not required by another rule, the~~ The rate trend report shall include:
- (I) the amount of increase and percentage change in the rate, charge, fee, fare, toll, rental, or classification relative to the amount in effect on the date of the utility's filing;
 - (II) the amount ~~in of increase and percentage~~ change in annual revenues collected by the utility as a result of the utility's filing;
 - (III) a chart, graph, or other ~~pictographic demonstration of~~ visualization demonstrating each of the utility's rates, charges, fees, fares, tolls, rentals, or classifications, including ~~the total of all utility bill line items such as~~ base rates and rate adjustment mechanisms, for the ten years prior to the date of the utility filing; ~~and~~
 - (IV) a chart, graph, or other visualization demonstrating all of the utility bill line items, including subtotal summary lines, for the ten years prior to the date of the utility filing for each of the utility's customer classes;
 - (V) a representation in the chart, graph, or other visualization required by subparagraphs 4109(c)(III) and (IV) of the total of the rates, charges, fees, fares, tolls, rentals, or classifications in effect ten years prior to the date of the utility filing, escalated over the ten years using the United States Bureau of Labor Statistics Consumer Price Index – Denver-Aurora-Lakewood; and
 - (VI) for the same rate, charge, fee, fare, toll, rental, or classification as the utility's filing over the ten years prior to the date of the utility's filing:
 - (A) the dates when a previous increase or decrease went into effect;
 - (B) the amount of the rate, charge, fee, fare, toll, rental, or classification before a previous increase or decrease went into effect;
 - (C) the amount of increase or decrease relative to the amount before the previous increase or decrease went into effect;
 - (D) the change in annual revenues collected by the utility as a result of the utility's filing; and
 - (E) the proceeding number for the tariff filing where the rate, charge, fee, fare, toll, rental, or classification either was allowed to go into effect by operation of law or was approved by the Commission and, in the event a compliance filing resulted in the tariff going into effect by operation of law, the proceeding number of the original proceeding where the rate, charge, fee, fare, toll, rental, or classification was introduced or where an increase in the existing rate, charge, fee, fare, toll, rental, or classification was proposed.
- (fd) If the utility files an application to add a new base rate tariff or to change an existing base rate tariff, the ~~The~~ Commission shall deem the application complete pursuant to rule 1303 upon

certifying by written decision that ~~a utility base rate tariff the filing made in accordance with paragraph 4109(d)~~ includes sufficient information, ~~including a comprehensive cost and revenue requirement analysis based on actual, auditable, historical data, which analysis must be accompanied by appropriate workpapers and other supporting materials,~~ to compare test years and to satisfy other purposes as determined by the Commission.

- (I) ~~The utility shall include in its base rate tariff filing:~~
- (A) ~~a cost of service study that calculates the utility's base rate revenue requirement for a twelve-month period concluding no later than six months prior to the date of the utility's base rate tariff filing;~~
 - (B) ~~detailed explanations of all adjustments made to the auditable historical data used in all of the cost of service studies presented in the utility's filing;~~
 - (C) ~~an executable copy of each of the cost of service studies presented in the utility's filing, with links and formulas intact;~~
 - (D) ~~workpapers, in executable format, to which the executable copies of the cost of service study are linked; and~~
 - (E) ~~any other information or documentation, as determined by the Commission.~~
- (II) ~~To prevent delay in a base rate tariff proceeding and the potential for a Commission decision deeming the base rate tariff filing incomplete, the utility may confer with Commission staff and the Office of Utility Consumer Advocate and file in the advice letter proceeding an unopposed motion for an order certifying the base rate tariff filing to be complete.~~
- (III) ~~The process for certifying a utility base rate tariff filing as complete shall be implemented as follows:~~
- (A) ~~The utility shall serve a copy of the utility base rate tariff filing on all parties to its previous base rate proceeding within three business days of the utility's base rate tariff filing with the Commission.~~
 - (B) ~~Any person affected by the base rate tariff filing may submit a written protest addressing the certification of the filing. Such protest must be filed sufficiently in advance of the effective date of the base rate tariffs.~~
 - (C) ~~The Commission will address the certification of utility's base rate tariff filing at a regular weekly meeting prior to the effective date of the base rate tariffs. The Commission may suspend the proposed tariff's effective date by ordering that a hearing be held on the certification of the utility base rate tariff filing in accordance with § 40-6-111(1), C.R.S.~~
 - (D) ~~The Commission shall provide the utility an opportunity to cure any deficiencies of its base rate tariff filing. The Commission may condition the certification of the~~

~~remedied utility base rate tariff filing on the utility's filing of an amended advice letter extending the proposed effective date of the base rate tariffs.~~

- ~~(IV) — The Commission shall not issue a decision approving a base rate whose base rate tariff filing has been determined to be incomplete until any deficiencies are cured.~~
- ~~(V) — The Commission may permanently suspend the effective date of the proposed base rate tariffs and the proposed tariffs shall not go into effect if the Commission deems the utility's base rate tariff filing incomplete.~~

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[indicates omission of unaffected rules]

BASE RATE PROCEEDINGS

4350. Recovery of Rate Case Expenses.

The Commission may limit the amount of a utility's rate case expenses that are recovered through rates. When limiting recoverable expenses, the Commission shall consider the presented facts and circumstances, including, but not limited to, the associated benefits that accrue to the utility's shareholders and whether the sharing of costs motivates the utility to limit expenses. Limits may apply either to overall expenses or to expenses for outside experts, consultants, and legal resources.

43504351. Annual Reporting on Costs Prohibited from Rates.

- (a) Base rates and rate adjustment mechanisms shall not recover the following costs:
- (I) expenses related to marketing and administration or customer service for unregulated products or services provided or sold by the utility or the utility's affiliates in accordance with the rules addressing unregulated goods and services 4 CCR 723-3-3500, et seq.;
 - (II) entertainment or gift expenses;
 - (III) penalties or fines related to taxes;
 - (IV) investor-relation expenses;
 - (V) expenses associated with lobbying or other activities meant to influence the outcome of any local, state, or federal legislation, ordinance, resolution, or ballot measure. For the purpose of a base rate proceeding and related reporting, lobbying means directly, or through the solicitation of others, communicating with a person that is in a position to make a policy decision in order to influence the outcome of local, state, or federal legislation;
 - (VI) organizational dues, membership dues, or other contributions to any organization, association, institution, corporation, or other entity that engages in lobbying or other similar activities meant to influence the outcome of any local, state, or federal legislation, ordinance, resolution, or ballot measure;

- (VII) advertising and public relations expenses incurred to promote or improve the utility's brand, to influence public opinion about the utility, to create good will toward the utility from the general public. Advertising regarding service interruptions, safety measures, emergency conditions, or employment opportunities with the utility may be included in a revenue requirement for any test year as determined by the Commission;
 - (VIII) advertising and public relations expenses not directly related to a purpose or program that is required or authorized under statute, rule, or order. Advertising or other consumer education expenses directly related to income-based rates and services, including special rates, pilot programs, energy efficiency, beneficial electrification, renewable energy, and transportation electrification, may be included in a revenue requirement for any test year as determined by the Commission;
 - (IX) charitable giving expenses, including contributions to organizations qualified under Section 501(c)(3) or 501(c)(4) of the federal "Internal Revenue Code of 1986", 26 U.S.C. Sec. 501, as amended;
 - (X) contributions to political candidates, campaign committees, issue committees, or independent expenditure committees or similar political expenses;
 - (XI) travel, lodging, food, and beverage expenses of the utility's officers;
 - (XII) travel, lodging, food, and beverage expenses and no more than 50 percent of all other reimbursed expenses of the utility's board of directors;
 - (XIII) expenses related to any owned, leased, or chartered aircraft for the utility's board of directors and officers, where aircraft has the meaning set forth in § 41-23-101(1), C.R.S.; and
 - (XIV) more than 50 percent of compensation to the utility's board of directors.
- (b) Required data in rate case.
- (I) A utility shall provide in any rate case where the Commission has suspended the proposed tariff and ordered a hearing, at minimum, the following information to enable a determination by the Commission that the utility is not seeking to recover from its customers any of the prohibited costs identified in subparagraphs (a)(I) through (a)(XIV) of this rule:
 - (A) disaggregated data that identifies the portion of total annual compensation excluded from cost recovery for each individual employee (identified at least by position and title) who conducted activities during the applicable test year period that are prohibited for recovery; and
 - (B) disaggregated data that identifies all amounts paid by the investor-owned utility to outside vendors (including but not limited to consultants and legal counsel) to conduct activities during the applicable test year period that are prohibited for recovery.

- (II) This information shall be filed by the utility into the administrative record for the proceeding no later than 30 days after the issued date of the Commission decision setting the matter for hearing and shall be updated, as applicable, at the time of filing rebuttal testimony.
- (c) Reporting. For the purpose of demonstrating compliance with § 40-3-114, C.R.S., On or before April 30th of each year, each utility shall file with the Commission a report that identifies any costs prohibited by paragraph 4351(a) that the utility sought to include in base rates or in a rate adjustment mechanism but the Commission found, in a written decision, are not permitted to be recovered from customers demonstrates compliance with prohibitions of costs recoverable through the utility's rates in accordance with § 40-3-114, C.R.S. The report must include, for each prohibited cost required to be reported, the purpose of the expenses corresponding to subparagraphs 4351(a)(I) through (XIV), and the payee, and amount of any the expenses associated with the costs and activities that the Commission found are not permitted to be recovered from customers. The report shall be filed concurrently with and in the same proceeding as the investor-owned utility's annual report filed in accordance with rule 4006.
- (d) Penalties. If the Commission determines that an investor-owned utility improperly recovered through rates any of the prohibited costs or expenditures listed in paragraph 4353(a), the Commission may assess a civil penalty against the utility pursuant to rules 4009 and 4010.
- (e) Refunds. If the Commission assesses a civil penalty against the utility in accordance with paragraph 4351(d), the Commission shall also order the utility to submit for approval a refund plan pursuant to rule 4410. The utility shall refund the amount of prohibited costs or expenditures improperly recovered through rates, plus interest, to customers.

4352. Disclosures.

- (a) If the Commission sets base rate tariffs for hearing and thereby suspends their effective date, the utility shall file in the proceeding, no later than five business days following the issued date of the Commission decision setting the base rate tariff filing for hearing, the following information, if not previously filed:
- (I) a table listing all of the utility's requests for approvals related to the base rate tariff filing and an index to the utility's testimony that addresses each request;
- (II) an index to the utility's testimony identifying where key items and adjustments made in the utility's cost of service models are addressed;
- (III) worksheets, in executable format, summarizing forecasted base rates and rate adjustment mechanisms in each of the ten twelve-month periods following the cost of service study test year;
- (IV) worksheets, in executable format, summarizing forecasted revenues collected through base rates and revenues collected through each rate adjustment mechanism in each of the ten twelve-month periods following the cost of service test year;
- (V) a summary of all active performance incentive mechanisms; and

- (VI) an index to the utility's testimony identifying the portions claimed to be confidential and an index to the testimony that the utility claims is highly confidential.
- (b) In any rate case where the utility is seeking to change base rates to cause an overall increase in its base rate revenues, the utility shall file in the proceeding, no later than five business days following the issued date of the Commission decision setting the base rate tariff filing for hearing, the following information.
- (I) Credit ratings and credit rating reports from S&P, Moody's, and Fitch, the principal credit rating entities, as applicable, for both the utility's holding company and for the utility (if the utility issues its own debt) issued in the three years prior to the base rate tariff filing.
- (II) For utilities that raise debt or equity at the operating company level, a four-year forecast of the financial metrics used by the credit rating agencies to determine the credit ratings for the utility's holding company and the utility based on the following three assumptions:
- (A) the base rate tariff filing was not filed;
- (B) the utility's base rate tariff filing is approved without modification; and
- (C) the utility's base rate base tariff filing is approved as filed but recalculated using the cost of capital measures (i.e., authorized return on equity, costs of debt, and capital structure) established by the Commission in the utility's most recent base rate tariff proceeding resulting in a change to its base rate revenues.
- (III) For utilities that raise debt or equity at the operating company level, an executable worksheet model demonstrating the impact of changes in capital structure, authorized return on equity, regulatory lag, depreciation expenses, and other factors as identified by the utility on the utility's credit metrics. The utility shall explain all model inputs and calculations.
- (IV) Equity analyst reports addressing the utility or its holding company issued in the three years prior to the base rate tariff filing.
- (V) Investor presentations addressing the utility or its holding company for the three years preceding the date of the base rate tariff filing.
- (VI) The return on equity for the utility's holding company in the most recent quarter prior to the base rate tariff filing as measured by the relevant stock price, dividend yield, and growth expectations as represented in relevant investor presentations.
- (VII) The most recent annual reports as filed with the Securities and Exchange Commission for the utility's holding company and the utility, as applicable in the three years prior to the base rate tariff filing.
- (VIII) For a utility that raises debt or equity at the operating company level, worksheets, in executable format, summarizing the utility's total projected residential retail revenues, including base rates and all rate adjustment mechanisms, and total projected residential retail sales over each of the fifteen years following the date of the utility's filing.

- (c) In any rate case where the utility is seeking to change base rates to cause an overall increase in its base rate revenues, and the utility raises debt or equity at the operating company level, the utility shall file in the proceeding, no later than five business days following the issued date of the Commission decision establishing the parties in the proceeding, the following information, if not previously filed.
- (I) Worksheets, in executable format, summarizing the capital expenditures in the test year cost of service study, by category of plant, and in each of the nine previous twelve-month periods prior to the cost of service test year. A discussion should be included to identify which of the listed capital expenditures have been subject to review in other proceedings, such as in an Electric Resource Plan, Distribution System Plan, Transportation Electrification Plan, Certificate of Public Convenience and Necessity, or other relevant proceeding. If a capital expenditure would or could typically fall under the purview of another proceeding before the Commission, a detailed explanation should be provided if the expenditure was not included in the relevant prior proceeding.
- (II) Worksheets, in executable format, summarizing the utility's forecasted capital expenditures, by category of plant, in each of the ten twelve-month periods following to the cost of service test year. A discussion should be included to identify which of the listed capital expenditures have been subject to review in other proceedings, such as in an Electric Resource Plan, Distribution System Plan, Transportation Electrification Plan, Certificate of Public Convenience and Necessity, or other relevant proceeding. If a capital expenditure would or could typically fall under the purview of another proceeding before the Commission, a detailed explanation should be provided if the expenditure was not included in the relevant prior proceeding.
- (III) Worksheets, in executable format, summarizing the operations and maintenance expenditures in the cost of service study, by category of expenditure, and in each of the nine previous twelve-month periods prior to the cost of service test year.
- (IV) Worksheets, in executable format, summarizing the utility's forecasted operations and maintenance expenditures, by category of expenditure, and in each of the ten twelve-month periods the cost of service test year.
- (V) A discussion on any improvements or changes made to forecasting and budgeting as relevant to the worksheets provided by the utility pursuant to paragraph 4352(c).
- (VI) Instructions for toggling between year-end and 13-month average valuations of the rate base in each cost of service study filed by utility.
- (VII) A list of all the utility's active regulatory assets, deferred accounts, and trackers that impact the cost of service study.
- (VIII) A presentation of the salaries (base pay), incentive compensation, and total compensation of the ten highest compensated executives whose compensation is included, in whole or in part (e.g., an employee of the utility, its holding company, or an affiliated shared services company), in each cost of service study filed by the utility.

(IX) The underlying data for rate trend report filed with the advice letter pursuant to paragraph 4109(c).

(d) The utility shall file updates the items set forth in paragraphs 4352(a) through (c) with its submission of rebuttal testimony as applicable.

~~4354~~4353. – 4399. [Reserved].

BILLING AND SERVICE

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[indicates omission of unaffected rules]

4405. Service, Rate, and Usage Information.

- (a) In addition to the requirement found in rule 1206, a utility shall inform its customers of any change proposed or made in any term or condition of its service if that change or proposed change will affect the quality of the service provided.
- (b) A utility shall transmit information provided pursuant to this rule through the use of a method (such as, without limitation, bill inserts or periodic direct mail) that will assure receipt by each customer.
- (c) Upon request, a utility shall provide the following information to a customer.
 - (I) A clear and concise explanation of the existing rate schedule applicable to the customer, the rate components for that rate schedule, and an explanation of how those components are calculated and applicable to the customer. This shall be provided within ten days of a customer's request or, in the case of a new customer, within 60 days of the commencement of service.
 - (II) A clear and concise statement of the customer's actual consumption or degree-day adjusted consumption of gas for each billing period during the prior year, unless such consumption data are not reasonably ascertainable by the utility.
 - (III) A clear and concise explanation of the terms and conditions of service applicable to the customer.
- (d) A utility shall post and keep current on its website the data required to be submitted pursuant to paragraph 4109(c), including the charts, graphs, or other visualizations demonstrating ten-year historical trends.