

COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

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PART 3

RULES REGULATING ELECTRIC UTILITIES

3001. Definitions.

The following definitions apply throughout this Part 3, 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 utility meters and communication networks that enables two-way communication between an electric utility's data systems and the meter's internet protocol address and allows the electric utility to measure electricity usage and/or connect or disconnect service remotely.
- (b) "Affiliate" of a utility means a subsidiary of a utility, a parent corporation of a public 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) and/or the compilation of customer data of one or more customers from which all unique identifiers 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) "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.
- (f) "Basis point" means one-hundredth of a percentage point (100 basis points = one percent).
- (g) "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.

- (h) "Commission" means the Colorado Public Utilities Commission.
- (i) "Contracted agent" means any person that has contracted with a utility in compliance with rule 3030 to assist in the provision of regulated utility services (e.g., an affiliate or vendor).
- (j) "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.
- (k) "Customer data" means customer-specific data or information, excluding personal information as defined in paragraph 1004(x), that is:
 - (I) collected from the electric meter by the utility and stored in its data systems (e.g., kWh, kW, voltage, VARs and power factor);
 - (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.
- (l) "Distribution facilities" are those lines designed to operate at the utility's distribution voltages in the area as defined in the utility's tariffs including substation transformers that transform electricity to a distribution voltage and also includes other equipment within a transforming substation which is not integral to the circuitry of the utility's transmission system.
- (m) "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.
- (n) "Energy assistance organization" means the nonprofit corporation established for low-income energy assistance pursuant to § 40-8.5-104, C.R.S.

- (o) "Energy storage system" means a commercially available technology that is capable of retaining energy, storing the energy for a period of time, and delivering the energy as electricity after storage by chemical, thermal, mechanical, or other means.
- (p) "Financial security" includes any stock, bond, note, or other evidence of indebtedness.
- (q) "Generation facility" means a power plant that converts a primary energy resource into electricity. Primary energy resources include, but are not limited to: nuclear resources, coal, natural gas, hydro, wind, solar, biomass, and geothermal.
- (r) "Heavy load" means not less than 60 percent, but not more than 100 percent, of the nameplate-rated capacity of a meter.
- (s) "Income qualified utility customer" or "low income customer" is a customer meeting the requirements of § 40-3-106(1)(d)(II), C.R.S.
- (t) "Informal complaint" means an informal complaint as defined and discussed in the Commission's Rules Regulating Practice and Procedure.
- (u) "Light load" means approximately five to ten percent of the nameplate-rated capacity of a meter.
- (v) "Load" means the power consumed by an electric utility customer over time (measured in terms of either demand or energy or both).
- (w) "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.
- (x) "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.
- (y) "Main service terminal" means the point at which the utility's metering connections terminate.
- (z) "Major event" means an event as defined in and consistent with IEEE Standard Number 1366-2003, Guide for Electric Power Distribution Reliability Indices.
- (aa) "MVA" means mega-volt amperes and is the vector sum of the real power and the reactive power.
- (bb) "Non-standard customer data" means all customer data that are not standard customer data.
- (cc) "Output" means the energy and power produced by a generation system.
- (dd) "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.
- (ee) "Powerline trail" means a multimodal trail that is: eight feet in width or wider; made of hard surface such as concrete or compacted gravel; used for recreational purposes or commuting in a

manner that does not involve a motor vehicle; and located in an existing transmission or future transmission corridor.

- (ff) "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.
- (gg) "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 property is located to determine ownership of government record.
- (hh) "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 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.
- (ii) "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.
- (jj) "Reference standard" means suitable indicating electrical equipment permanently mounted in a utility's laboratory and used for no purpose other than testing rotating standards.
- (kk) "Regulated charges" means charges billed by a utility to a customer if such charges are approved by the Commission or contained in a tariff of the utility.
- (ll) "RFP" means request for proposals.
- (mm) "Rotating standard" means a portable meter used for testing service meters.
- (nn) "RUS" means the Rural Utilities Service of the United States Department of Agriculture, or its successor agencies.
- (oo) "Service connection" is the location on the customer's premises/facilities at which a point of delivery of power between the utility and the customer is established. For example, in the case of a typical residential customer served from overhead secondary supply, this is the location at

which the utility's electric service drop conductors are physically connected to the customer's electric service entrance conductors.

- (pp) "Standard customer data" means customer data maintained by a utility in its systems in the ordinary course of business.
- (qq) "Test year" means a twelve-month period that is examined to determine a utility's costs of service in a rate case.
- (rr) "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 of the customer's behalf, a regulated utility serving the customer, or a contracted agent, of the utility.
- (ss) "Transmission corridor" means a tract of land owned, occupied, or leased by a transmission provider as defined in § 33-45-102(11), C.R.S., or covered by an easement or right-of-way held by a transmission provider, where an electric transmission line is constructed, operated, or maintained at a voltage of 69 kilovolts or above.
- (tt) "Transmission facilities" are those lines and related substations designed and operating at voltage levels above the utility's voltages for distribution facilities, including but not limited to related substation facilities such as transformers, capacitor banks, or breakers that are integral to the circuitry of the utility's transmission system.
- (uu) "Unique identifier" means a customer's name, mailing address, telephone number, or email address that is displayed on a bill.
- (vv) "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 filed with the Commission, and are for service or merchandise not required as a condition of receiving regulated utility service.
- (ww) "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.
- (xx) "Utility" means any public utility as defined in §§ 40-1-103 and 40-3-102.5(1)(d)(III), C.R.S., providing electric, steam, or associated services in the state of Colorado.
- (yy) "Utility service" or "service" means a service offering of a utility, which service offering is regulated by the Commission.
- (zz) "Whole building data" means the sum of the monthly electric use for either all meters at a building on a parcel or 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]

3109. 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 may use one of the following filing processes to add a new tariff or to change an existing tariff.
 - (I) The utility may file the proposed 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 a 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 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. 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).
- (c) 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. 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 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 visualization demonstrating each of the utility's rates, charges, fees, fares, tolls, rentals, or classifications, including base rates and rate adjustment mechanisms, for the ten years prior to the date of the utility filing;

- (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 3109(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.
- (d) If the utility files an application to add a new base rate tariff or to change an existing base rate tariff, the Commission shall deem the application complete pursuant to rule 1303 upon certifying by written decision that the filing 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.

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[indicates omission of unaffected rules]

RATE PROCEEDINGS

3350. 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.

3351. 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 base rate case.
- (I) A utility shall provide in any base 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 investor-owned utility shall file with the Commission a report that identifies any costs prohibited by paragraph 3351(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. The report must include, for each prohibited cost required to be reported, the purpose of the expenses, corresponding to subparagraphs 3351(a)(I) through (XIV), and the payee and amount of the expenses 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 3006.
- (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 3353(a), the Commission may assess a civil penalty against the utility pursuant to rules 3009 and 3010.

- (e) Refunds. If the Commission assesses a civil penalty against the utility in accordance with paragraph 3351(d), the Commission shall also order the utility to submit for approval a refund plan pursuant to rule 3410. The utility shall refund the amount of prohibited costs or expenditures improperly recovered through rates, plus interest, to customers.

3352. – 3399. [Reserved].

BILLING AND SERVICE

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[indicates omission of unaffected rules]

3405. 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 must provide the following information to a customer:
 - (I) a clear and concise summary of the existing rate schedule applicable to each major class of customers for which there is a separate rate;
 - (II) an identification of each class whose rates are not summarized;
 - (III) a clear and concise explanation of the existing rate schedule 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;
 - (IV) a clear and concise statement of the customer's actual consumption or degree-day adjusted consumption of electricity for each billing period during the prior year, unless such consumption data are not reasonably ascertainable by the utility; and
 - (V) any other information and assistance as may be reasonably necessary to enable the customer to secure safe and efficient service.
- (d) A utility shall post and keep current on its website the data required to be submitted pursuant to paragraph 3109(c), including the charts, graphs, or other visualizations demonstrating ten-year historical trends.