

Decision No. C20-0834-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 20AL-0512E

IN THE MATTER OF ADVICE LETTER NO. 795 FILED BY BLACK HILLS COLORADO ELECTRIC, LLC DOING BUSINESS AS BLACK HILLS ENERGY TO AMEND THE PURCHASED CAPACITY COST ADJUSTMENT TO BECOME EFFECTIVE JANUARY 1, 2021.

**INTERIM COMMISSION DECISION GRANTING
REQUEST FOR ALTERNATIVE FORM OF NOTICE**

Mailed Date: December 2, 2020
Adopted Date: November 25, 2020

I. BY THE COMMISSION

A. Statement, Findings, and Conclusions

1. On November 16, 2020, pursuant to § 40-3-104(1)(c)(I)(E) C.R.S. and Commission Rule 4 *Code of Colorado Regulations* (CCR) 723-1207(b) of the Commission's Rules of Practice and Procedure, Black Hills Colorado Electric, LLC (Black Hills or Company), filed a Motion for Approval of Alternative Form of Notice (Motion) applicable to Advice Letter No. 795-Electric. By Advice Letter No. 795-Electric, Black Hills seeks to amend its Purchased Capacity Cost Adjustment (PCCA) rates contained on Tariff Sheet Nos. 85 and 86 in the Rates section of its Colo. P.U.C. No. 11-Electric Tariff. According to Black Hills, the PCCA is applicable to all retail customers and is designed to recover the incremental cost of capacity purchased to supply electric service above the level of purchased capacity costs included in base rates.

2. Black Hills states it filed Advice Letter No. 795-Electric to amend its PCCA inputs and rates on Tariff Sheet Nos. 85 and 86, in the Rates section of its Colo. P.U.C. No. 11-Electric Tariff. The proposed tariff amendments will increase the PCCA from \$0.00082/kWh to

\$0.00108/kWh for Residential and Energy Only customers, increase the PCCA rate from \$0.00074/kWh to \$0.00100/kWh for Small General Service customers, increase the PCCA rate from \$0.18641/kWh to \$0.36610/kWh for Large General Service customers, and increase the PCCA rate from \$0.26166/kWh to \$0.35296/kWh for Large Power Service customers. The Company further states the proposed tariff amendments will increase the annualized PCCA revenues by approximately \$600,780, beginning January 1, 2021.

3. Black Hills seeks Commission approval to provide alternative form of notice of its proposed tariff amendment using the following forms of alternative notice:

a. Filing with the Commission, and keeping open for inspection, Advice Letter No. 795-Electric, which amends its PCCA calculation inputs, on Tariff Sheet Nos. 85 and 86, in the Rates section of its Colo. P.U.C. No. 11-Electric Tariff. The Company will also post on its website at the time of filing: (1) a Customer Notice attached as Attachment 1 – Placeholder Customer Notice (Customer Notice) and (2) Advice Letter No. 795-Electric and its accompanying tariff sheets, for forty-five (45) days. The website posting will include a reference to the applicable proceeding number. The applicable website address for the posting of Advice Letter No. 795-Electric, Attachment 1 – Placeholder Customer Notice, and the accompanying tariff sheets is: <http://www.blackhillsenergy.com/rates/applications> The Customer Notice includes amendments and impacts of the PCCA, ECA, and TCA filings that will be or have been made in November 2020, so as to provide customers with complete and comprehensive notice of the changes Black Hills is proposing to their rates. As shown in the Customer Notice, the Customer Notice will explain each adjustment and overall bill impact to customers. Though Black Hills provides for Commission review the Customer Notice, it will not be posted until after the November 30, 2020 filing of the ECA. Black Hills proposed to post the Customer Notice after this date so that it will provide notice to customers of all of the rates changes associated with its PCCA, ECA, and TCA filings.

b. Printing a message on each applicable customer's bill providing the website URL for the Customer Notice and Advice Letter No. 795-Electric and its accompanying tariff sheets, and a toll-free phone number for assistance, beginning with the December 2020 bill cycle, which will encompass the TCA filed on November 2, 2020, PCCA filed herein, and ECA amendments separately filed on November 30, 2020. Because the bill messages will begin after the filing of the ECA amendment, Black Hills will be able to provide its customer notice with an aggregated bill impact associated with the amendments to the TCA, PCCA, and ECA. Given that Black Hills will not know the aggregated bill impact until it submits its ECA filing, Black Hills provides below the bill message that will be updated with bill impact

information in Black Hills' ECA filing. The bill messages, by customer class, read as follows:

Residential:

We filed to amend our TCA, PCCA, and ECA rates to be effective January 1, 2021. If approved, an average monthly residential bill would increase/decrease \$X.XX from \$XXX.XX to \$XXX.XX, or X.XX%. Call 888-890-5554 or visit www.blackhillsenergy.com/filings for more details.

Small Commercial:

We filed to amend the TCA, PCCA, and ECA rates effective January 1, 2021. If approved, an average monthly commercial bill would increase/decrease \$X.XX from \$XXX.XXX to \$XXX.XX, or X.XX%. Call (888)-890-5554 or visit blackhillsenergy.com/filings for more details.

Other Customers:

We filed to amend the TCA, PCCA, and ECA rates effective January 1, 2021. Customers can call (719)-561-8232 for information on how the proposed amendments may affect them. Customers can also visit blackhillsenergy.com/filings for more details.

c. Publishing a legal notice of the PCCA, ECA, and TCA Advice Letters following the ECA filing on November 30, 2020 (i.e., Attachment 1 – Placeholder Customer Notice), with size dimensions of four columns width and 11 inches height, in three newspapers of general circulation for the service territory: 1) *The Pueblo Chieftain* (two consecutive Tuesdays, December 8th and December 15th); and 2) *The Cañon City Daily Record* (two consecutive Fridays, December 11th and December 18th); and 3) *The Rocky Ford Daily Gazette* (two consecutive Thursdays, December 10th and December 17th). Given the number of rate adjustments in November 2020 and to avoid customer confusion, the Company is requesting to consolidate the three rates adjustments into one Customer Notice. Consolidating the rate adjustments into one Customer Notice will assist customers in understanding the full scope of impacts associated with the amendments to the PCCA, ECA, and TCA.

4. Black Hills maintains there is good cause for the alternative form of notice requested by this Motion. Black Hills notes the Company's bill message does not conflict with its billing cycle, and it provides visibility to the customer because it is presented on the first page of the bill, where the customer looks for dollar amount due and the payment deadline. Additionally, the toll-free phone number provided in the bill message will give customers a second option to

learn more about the new tariff if they cannot access the internet for the Company's website. Further, Black Hills states the newspaper publications will ensure general notice to customers throughout the Company's service territory and the alternative forms of notice are expeditious and economic for the Company's customers. The Company additionally states the newspaper publications will also provide combined notice of the Company's amendments to its PCCA, ECA, and TCA, granting customers comprehensive notice of multiple adjustments that will take effect on January 1, 2021. Black Hills maintains these alternative forms of notice are expeditious and economic for the Company's customers.

5. Pursuant to § 40-3-104(1)(c)(I)(E), C.R.S., and 4 CCR 723-1-1207(b) a utility may request to provide an alternative form of notice of proposed tariff changes. We find that the alternative forms of notice Black Hills proposes in its Motion will provide sufficient notice to its customers and will do so efficiently. We therefore find good cause to approve the alternative forms of notice Black Hills requests.

II. ORDER

A. It Is Ordered That:

1. The Motion for Approval of Alternative Form of Notice filed by Black Hills Colorado Electric, LLC on November 16, 2020, is granted.

2. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
November 25, 2020.**

(S E A L)



ATTEST: A TRUE COPY

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

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

JOHN GAVAN

MEGAN M. GILMAN

Commissioners