

Decision No. C23-0459

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 23AL-0325G

IN THE MATTER OF ADVICE NO. 1016 - GAS FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO REVISE ITS COLORADO PUC NO. 6 - GAS TARIFF TO PROPOSE MODIFICATIONS TO PORTIONS OF ITS GAS COST ADJUSTMENT TO MAKE IT ABUNDANTLY CLEAR THAT THE COMPANY MAY SEEK THE RECOVERY OF THE COMMODITY COSTS OF LIQUIFIED NATURAL GAS AND COMPRESSED NATURAL GAS THROUGH THE GAS COST ADJUSTMENT, TO BECOME EFFECTIVE JULY 17, 2023.

**COMMISSION DECISION SUSPENDING EFFECTIVE
DATE OF TARIFF SHEETS, REFERRING THE MATTER
TO AN ADMINISTRATIVE LAW JUDGE, AND
ESTABLISHING NOTICE AND INTERVENTION PERIOD**

Mailed Date: July 14, 2023

Adopted Date: July 12, 2023

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY SUBMITTING A WRITTEN COMMENT THROUGH <https://puc.colorado.gov/> INDICATING PROCEEDING NO. 23AL-0325G. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS 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 June 16, 2023, Public Service Company of Colorado (Public Service or Company) filed Advice Letter No. 1016 with a tariff sheet with proposed modifications to portions of its Gas Cost Adjustment (GCA) for effect July 17, 2023. Public Service further seeks explicit

permission to use its GCA for the recovery of the costs of liquefied natural gas (LNG) and compressed natural gas (CNG).

2. This Decision sets for hearing the tariff sheets filed under Advice Letter No. 1016 and suspends their effective date to **November 14, 2023**.

3. We refer the matter to an Administrative Law Judge (ALJ).

4. A pleading to intervene in this matter may be filed by any person, firm, or corporation desiring to be a party and fully participate in this Proceeding no later than **August 11, 2023**.

B. Discussion

5. In Advice Letter No. 1016, Public Service explains that it is not seeking approval of the actual recovery of any LNG or CNG cost in this proceeding. Instead, Public Service intends for this proceeding to provide background information for the Commission on the use of LNG or CNG and to “clean up” the Company’s GCA tariff. Public Service states that the issues of cost recovery of actual LNG and CNG costs are topics for future proceedings, such as GCA applications and gas rate case proceedings.

6. The Colorado Office of the Utility Consumer Advocate (UCA) filed a protest to Advice Letter No. 1016 on June 27, 2023. UCA raises several concerns and questions whether the Commission’s GCA Rules allow contemplate and encompass the types of cost associated with CNG and LNG. UCA is also concerned about whether approval of the proposed tariff changes will be applied retroactively to LNG costs from the 2022–2023 heating season and will, going forward, allow a general “blank check” approach for cost recovery of the deployment of LNG or CNG. UCA further questions the effectiveness of the RFP used to contract for the use of equipment

and infrastructure to facilitate the conversion of LNG to usable natural gas. UCA thus requests that the Commission suspend the proposed tariff's effective date and set the matter for hearing.

7. Public Service filed a response to the protest on July 11, 2023 and asserts that UCA's arguments raise concerns that are addressable in the future proceedings when actual cost recovery proposals are before this Commission. The Company concludes that there is no need for the Commission to set this matter for hearing.

C. Conclusions and Findings

8. Pursuant to § 40-6-111(1), C.R.S., the Commission may suspend tariff sheets for 120 days. Based on UCA's protest, we find good cause to suspend the tariff sheets submitted with Advice Letter No. 1016 for 120 days through **November 14, 2023** and set the matter for hearing.

9. We refer this matter to an Administrative Law Judge (ALJ).

10. 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 tariff sheets shall not allow participation as an intervenor in this matter.

II. ORDER

A. The Commission Orders That:

1. The proposed July 17, 2023 effective date of the tariff sheet filed with Advice Letter No. 1016 filed by Public Service Company of Colorado (Public Service) on June 16, 2023, is suspended until **November 14, 2023**, or until further order of the Commission.

2. The matter is referred to an Administrative Law Judge (ALJ). The ALJ shall set a hearing date, rule on interventions, and establish other procedures by separate decision(s).

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariff pages, who desire to intervene and participate as a party in this proceeding shall file a motion to intervene with the Commission no later than **August 11, 2023** and shall serve a copy of the notice or motion on Public Service’ attorney of record.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS’ WEEKLY MEETING
July 12, 2023.**

(S E A L)



ATTEST: A TRUE COPY

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners

Rebecca E. White,
Director