

Decision No. C24-0305

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21A-0141E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2021 ELECTRIC RESOURCE PLAN AND CLEAN ENERGY PLAN.

**COMMISSION DECISION GRANTING UNOPPOSED
MOTION FOR VARIANCE TO FILE JUST TRANSITION
SOLICITATION NO LATER THAN AUGUST 1, 2024, AND
REQUEST FOR WAIVER OF RESPONSE TIME**

Mailed Date: May 9, 2024

Adopted Date: May 1, 2024

I. BY THE COMMISSION

A. Statement

1. Through this Decision, the Commission grants the Unopposed Motion for Variance to File Just Transition Solicitation No Later Than August 1, 2024, and Request for Waiver of Response Time (Motion for Variance) that Public Service Company of Colorado (Public Service or Company) filed on April 22, 2024. We waive remaining response time to the Motion for Variance and direct Public Service to file its application for the Pueblo Just Transition Solicitation (JTS) no later than August 1, 2024.

B. Background and Motion for Variance

2. We have previously detailed the background and procedural history of this case in Decision No. C24-0052, issued January 23, 2024, (Phase II Decision), and Decision No. C24-0161, issued March 13, 2024 (First RRR Decision). Here, we provide only that background and procedural history necessary for this Decision.

3. The Motion for Variance recounts how Public Service filed a motion to approve the Update Non-Unanimous Partial Settlement Agreement (Phase I Settlement Agreement) on April 26, 2022. This Phase I Settlement Agreement requires Public Service to commence the Pueblo JTS no later than June 1, 2024.¹ In the Phase I Decision,² the Commission approved the June 1, 2024, filing date for the Pueblo JTS, as contemplated in the Phase I Settlement Agreement.³

4. In the Motion for Variance, Public Service argues that the 60-day extension of the Pueblo JTS filing deadline will promote more efficient implementation of State policy in three ways. First, the Company argues that the Pueblo JTS filing was intended to incorporate the results of the 2021 Electric Resource Plan and Clean Energy Plan (ERP/CEP). When the Pueblo JTS filing deadline in the Phase I Settlement Agreement was established, the Company thought that it would have at least one year following the conclusion of the Phase II process to prepare for the Pueblo JTS. However, the Phase II process has continued into the second quarter of 2024. Public Service asserts that “additional time following the Phase II process will allow for development of approaches to advance a just transition and meet State energy policy objectives at the same time.”⁴

5. Second, Public Service argues that additional time will allow the Company to incorporate lessons learned from the 2021 ERP/CEP and meet the Commission’s expectations for the Pueblo JTS. Public Service notes that the Commission has established additional directives for the Pueblo JTS in the Phase II Decision and the First RRR Decision. For example, the Company references directives relating to developing a Performance Incentive Mechanism with Trial Staff of the Public Utilities Commission (Staff), working with Staff and other interested

¹ Motion for Variance, p. 3.

² Decision No. C22-0459, issued August 3, 2022.

³ Motion for Variance, p. 3.

⁴ Motion for Variance, p. 5.

parties on modeling process (e.g., the reliability rubric), and working with any Independent Transmission Analyst. The Company also states that the scope of the Pueblo JTS might be further expanded by issues such as a new conforming bid policy and the acquisition of demand response resources in competitive solicitations.⁵ Public Service asserts that these “significant requirements add complexity to the preparation and filing of the JTS beyond that anticipated by the Company and other settling parties at the time of the [Phase I Settlement Agreement].”⁶

6. And third, Public Service hopes to use the additional time to finalize key proposals and receive feedback from stakeholders. As an example, Public Service states that its Effective Load Carrying Capability (ELCC) studies will likely be completed in the coming weeks, but a June 1, 2024, filing deadline would make it difficult to receive stakeholder feedback on the ELCC results. The Company asserts that having an additional 60 days to engage with stakeholders could help make the Pueblo JTS proceeding more efficient both for the parties and the Commission.⁷

C. Findings and Conclusions

7. The Commission finds persuasive the Company’s arguments regarding the need for a limited extension. It is unlikely that any of the settling parties anticipated that Phase II of this Proceeding would be ongoing as of the second quarter of 2024 when they agreed to the Pueblo JTS filing deadline roughly two years ago. While there are various reasons why this Proceeding has continued longer than anticipated, ultimately we agree that this delay warrants extending the June 1, 2024, filing date.

8. We likewise find persuasive the Company’s arguments that an additional 60 days could help Public Service engage with stakeholders and incorporate lessons learned from the 2021

⁵ Motion for Variance, pp. 5-6.

⁶ Motion for Variance, p. 6.

⁷ Motion for Variance, pp. 6-7.

ERP/CEP, including the additional directives set forth in the Phase II Decision and the First RRR Decision. As Public Service acknowledges, the Pueblo JTS will be a unique proceeding. Additional time as requested to conduct stakeholder processes and input prior to the filing is warranted.

9. The Commission is mindful that the Pueblo JTS is intended to fill the resource need for years 2029 through 2031, and that is important that the Pueblo JTS is completed in time to bring new resources online in time to meet these projected shortfalls. Nevertheless, we are hopeful that the additional 60 days to engage with stakeholders and incorporate lessons learned in the 2021 ERP/CEP will ultimately save time and result in a more efficient Pueblo JTS proceeding.

II. ORDER

A. The Commission Orders That:

1. The Unopposed Motion for Variance to File Just Transition Solicitation No Later Than August 1, 2024, and Request for Waiver of Response Time that Public Service Company of Colorado filed on April 22, 2024, is granted.

2. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

3. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
May 1, 2024.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Rebecca E. White".

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners