

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO**

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**IN THE MATTER OF THE APPLICATION )  
OF PUBLIC SERVICE COMPANY OF )  
COLORADO FOR AN ORDER )  
AUTHORIZING IT TO MODIFY AND )  
EXTEND ITS ELECTRIC QUALITY OF )  
SERVICE PLAN THROUGH 2026 )**

**PROCEEDING NO. 23A-0356E**

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**SETTLEMENT AGREEMENT**

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**INTRODUCTION AND IDENTIFICATION OF PARTIES**

This Settlement Agreement (“Settlement Agreement” or “Agreement”) is filed on behalf of Public Service Company of Colorado (“Public Service” or the “Company”), Trial Staff (“Staff”) of the Colorado Public Utilities Commission (“Commission”), the City and County of Denver (“Denver”), the City of Boulder (“Boulder”), and the Colorado Energy Consumers (“CEC”) (each a “Settling Party” and collectively the “Settling Parties”). The Colorado Office of the Utility Consumer Advocate (“UCA”) opposes the Settlement Agreement. Energy Outreach Colorado (“EOC”) takes no position on the Settlement Agreement.

This Settlement Agreement is intended to represent a comprehensive resolution of Commission Proceeding No. 23A-0356E, which addresses Public Service’s Application or an Order Authorizing it to Modify and Extend its Electric Quality of Service Plan (“QSP”) through 2026 (“Application”).

## **SETTLEMENT AGREEMENT**

The following terms comprise the Settlement Agreement reached by the Settling Parties.

### **I. Approval of the 2024-2026 QSP Extension.**

The Settling Parties agree to recommend that the Commission approve the Company's Application consistent with the changes required by the Settlement Agreement provisions set forth below.

### **II. Performance Metrics and Penalty Caps.**

a. The Settlement Agreement provides for the QSP extension to include the following performance metrics, which will be evaluated and applied for each performance year:

- i. Census Block Group ("CBG") System Average Interruption Duration Index ("SAIDI") ("CBG-SAIDI"): The Company will award a \$55 individual bill credit to customers in the CBGs that encounter poorer reliability than reflected in the minimum performance threshold, as measured in total minutes per customer per year. The Company will set a minimum performance threshold of 486 minutes that reflects the 33 CBGs in the Company's service territory with the poorest reliability ratings under the SAIDI ordinary distribution interruptions ("SAIDI-ODI") based on 2022 data. These 33 CBGs comprised 10,312 electric customers. This CBG equivalency assumes any CBGs with 15 or less customers are combined into the nearest adjacent CBG calculations. This performance metric is subject to an annual penalty cap of \$7.73 million.

The Company will replace the previous metric, annual SAIDI for Ordinary Distribution Interruptions (“SAIDI-ODI”) for established Reliability Warning Threshold (“RWT”) by Operating Region, with the CBG-SAIDI above. This metric excludes major event day interruptions calculated at system level, public damage interruptions, transmission level bulk supply interruptions, and outages initiated pursuant to wildfire mitigation activities. CBG-SAIDI will not utilize the prior SAIDI-ODI exclusion categories of SUBI, ECATI, EGOVI, EMERGI, EPLANI, ESAFTI, EVANI, or EPUCI.

- ii. Customer Complaints: If the number of customer complaints exceeds 6.5 per 1000 customers, as measured on a performance year basis, measured by the number of premises as of December 31, the Company will incur a \$1.1 million penalty, which will be credited on a prorated basis among the Company’s active premises.
- iii. Telephone Response Time: If the Company responds to less than 70 percent of the telephone calls to its call centers within 45 seconds or less, the Company will incur a \$1.1 million penalty, which will be credited on a prorated basis among the Company’s active premises. The Company prioritizes electric outage and gas emergency calls and can report on these separately.
- iv. Customers Experiencing Multiple Interruptions (“CEMI”): If a customer experiences six (6) or more IEEE Operating Company Normalized interruptions or a performance threshold of CEMI-6, as defined in

Hearing Exhibit 101, Attachment JJP-1, to the Company's Direct Testimony, during a given performance year, the Company will award the customer a \$55 individual bill credit, subject to an annual penalty cap of \$1.1 million. This metric excludes major event day interruptions calculated at systemwide level, public damage interruptions, and outages initiated pursuant to wildfire mitigation activities. Consecutive Year Interruptions: The credits below shall be applied in addition to Single Year Interruption credits:

- i. An additional \$25 (for a total of \$80 for customers in Non-DI Communities and \$100 for customers in DI Communities) to a customer after the second year in which the customer experiences six or more interruptions.
- ii. An additional \$50 (for a total of \$105 for customers in Non-DI Communities and \$125 for customers in DI Communities) to a customer after the third year and each consecutive year thereafter in which the customer experiences six or more interruptions.
- v. Customers Experiencing Long Interruptions Durations ("CELI"): If a customer experiences an Operating Company Normalized interruption, as defined in Hearing Exhibit 101, Attachment JJP-1, to the Company's Direct Testimony, of 18 or more hours in a given performance year, the Company will award the customer a \$55 individual bill credit for each occurrence, subject to an annual penalty cap of \$1.1 million. This metric

excludes major event day interruptions, public damage interruptions, transmission level bulk supply interruptions, and outages initiated pursuant to wildfire mitigation activities.

- b. The bill credits and maximum penalties outlined in this Settlement Agreement will be updated for inflation moving forward, as measured by the CPI-U for the United States.

### **III. Commitment to Equity.**

Customers that are entitled to an individual bill credit under the CBG-SAIDI, CEMI, and/or CELI performance metric(s), as applicable, who reside in a CBG that is a part of a disproportionately impacted community (“DI Community”) will receive an enhanced individual bill credit of \$75 instead of the standardized individual bill credits that are applicable to these metrics under Section II.

Based on the CBG data that Public Service reports on and gathers during this QSP Extension, Public Service will evaluate whether CBGs in DI Communities encounter more reliability issues than customers in non-DI Community CBGs, and the Company will provide the results of this evaluation in its next QSP extension filing. This evaluation will dictate the prioritization of needed projects to address any disparities and provide uniform electric service quality.

### **IV. Reporting.**

- a. To the extent possible, the Company will continue to provide annual QSP reporting to the Commission using the existing QSP reporting format (i.e. For each metric Summary Report and Detailed reporting), Narrative of Reliability Management Activities, Distribution Feeder Unavailability annual summary,

- substation power transformer failure report, and recommended work plans based on current year reliability concerns which include service reliability remediation summaries.
- b. The Company agrees to continue to provide detailed reliability reporting section but provide all annual CBG level data (including exclusions within an executable spreadsheet). In its annual QSP reports, Public Service will also provide annual reporting on CBG level SAIDI, CAIDI, and SAIFI values in both normalized and all weather formats.
  - c. Public Service will also benchmark these values in normalized and all weather formats against neighboring utilities.
  - d. Through annual QSP reports, Public Service will also provide the major event day, public damages, and bulk supply exclusions from QSP metric penalty calculations, as applicable. Under this approach, the Company shall continue to report outage and reliability data for all outage and reliability events, even if the cause of those events is excluded for the purposes of calculating or triggering Company-to-customer QSP payments.
  - e. In its annual QSP reports, Public Service will also provide data on the following reliability metrics by CBG for informational purposes:
    - i. CEMI-3, CEMI-4, and CEMI-5;
    - ii. CELI-12, CELI-14, CELI-16, CELI-18, CELI-20, CELI-22, and CELI-24;and

- iii. The electric service continuity and restoration Target Exceedance List by premise ID that Public Service has included in its most recent QSP extension as approved in Commission Proceeding No. 21AL-0317E.
- f. In annual QSP reports, the Company will also include a narrative describing the completion status of reliability management activities for prior year work plans, including a summary of previous year distribution feeder unavailability as well as current year recommended work plans with an anticipated date of completion for each activity in the work plan. To accomplish this, the Company agrees to include an annual “Feeder Report” in the QSP annual report identifying the thresholds for inclusion in the feeder unavailability summary. In this report, the Company shall disclose the system average feeder SAIFI, SAIDI, and CMO, as well as the CMO threshold for a feeder’s inclusion on the FPIP. Feeders that are candidates for inclusion in FPIP shall be highlighted in the annual report, and the Company will provide the related workplans it has prepared in connection with the FPIP with the year of anticipated completion for each workplan. This annual report will also include total FPIP-related expenses.
- g. The Company also commits to working with Boulder to provide Boulder region monthly details previously included in annual QSP reports, in a format and process that is mutually agreeable to the Company and Boulder.

**V. Quality of Service Map.**

The Settling Parties recommend that the Commission approve Public Service’s proposal to place an interactive service quality map on its website, which will display CBG-

level reliability data on the CEMI, CELI, and SAIDI performance metrics. The map will be designed in a manner that allows users to toggle between those metrics to review such CBG-level data. Additionally, the Company will attempt to include a GIS layer with point aggregations of customers reflecting CEMI, CELI, and customer minutes out (“CMO”) performance metrics and with data filtering in place to meet the 15/15 limit for data privacy requirements. The Company shall disclose the nature of its attempt to include such a GIS layer in its Quality of Service Map to the Commission in its next QSP filing and to stakeholders as part of the Stakeholder Engagement process identified in Section VII of this Settlement Agreement. The Company shall publish a Service Quality Map on its website complying with these subsections no later than April 1, 2025.

**VI. Premise Data.**

Throughout the QSP Extension, Public Service will utilize actual premise data to evaluate its performance on QSP metrics that is available through its Outage Management System, including information received from Advanced Metering Infrastructure (“AMI”) meters, to the extent it is available based on the status of AMI deployment.

**VII. Stakeholder Engagement.**

- a. Public Service agrees to convene a meeting with stakeholders, including the parties to this Proceeding, to discuss its next proposed QSP on or before October 1, 2025. At this meeting, Public Service will provide a list of the metrics and performance threshold values that the Company plans to propose in its next QSP. As part of these stakeholder discussions, the Company will also address the

potential for additional mapping of reliability-related data that is more granular than the CBG level for the next QSP.

- b. In addition, Public Service commits to considering service and power quality issues for inclusion in its next QSP, applicable to issues affecting large customers, including but not limited to interruptions, outages, momentary outages, harmonic distortion, and voltage sags and surges.
- c. At least six months prior to the filing date of the next QSP extension, Public Service will also separately meet with Staff to discuss whether the public damages and bulk supply exclusions from all QSP calculations, as applicable, should be continued going forward.
- d. During this QSP extension, the Company will continue to make reasonable efforts to address individual customers' respective issues, needs, and interests relating to power quality and agrees to commence a Power Quality review for a participating CEC member over a twelve-month period within three months of the Commission's Order approving the terms of this Settlement. Ultimately, the parameters of that Power Quality review will be designed to focus on the participating customer(s) issues, needs, and interests, and may include the installation of a power quality monitor and related diagnostic equipment.

### **GENERAL PROVISIONS**

1. This Agreement is made for settlement purposes only. No Settling Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Agreement. Furthermore, this Agreement does not constitute agreement, by any Settling Party, that any principle or methodology contained

within or used to reach this Agreement may be applied to any situation other than the above-captioned proceeding, except as expressly set forth herein. No binding precedential effect or other significance, except as may be necessary to enforce this Agreement or a Commission order concerning the Agreement, shall attach to any principle or methodology contained in or used to reach this Agreement, except as expressly set forth herein.

2. The Settling Parties agree the provisions of this Settlement Agreement, as well as the negotiation process undertaken to reach this Settlement Agreement, are just, reasonable, and consistent with and not contrary to the public interest, and should be approved and authorized by the Commission.

3. The discussions among the Settling Parties, and documents exchanged between them, that produced this Settlement Agreement have been conducted in accordance with Rule 408 of the Colorado Rules of Evidence.

4. Nothing in this Settlement Agreement shall constitute a waiver by any Settling Party with respect to any matter not specifically addressed in this Settlement Agreement.

5. The Settling Parties agree to support, or not oppose, all aspects of the Settlement Agreement embodied in this document in any hearing conducted to determine whether the Commission should approve this Settlement Agreement, and/or in any other hearing, proceeding, or judicial review relating to this Settlement Agreement or the implementation or enforcement of its terms and conditions. Each Settling Party also agrees that, except as expressly provided in this Settlement Agreement, it will take no formal action in any administrative or judicial proceeding that would have the effect,

directly or indirectly, of contravening the provisions or purposes of this Settlement Agreement. However, except as expressly provided herein, each Settling Party expressly reserves the right to advocate positions different from those stated in this Settlement Agreement in any proceeding other than one necessary to obtain approval of, or to implement or enforce, this Settlement Agreement or its terms and conditions.

6. The Settling Parties do not believe any waiver or variance of Commission rules is required to effectuate this Settlement Agreement but agree jointly to apply to the Commission for a waiver of compliance with any requirements of the Commission's Rules and Regulations, if necessary, to permit all provisions of this Settlement Agreement to be approved, carried out, and effectuated.

7. This Settlement Agreement is an integrated agreement that may not be altered by the unilateral determination of any Settling Party. There are no terms, representations or agreements among the parties which are not set forth in this Settlement Agreement.

8. This Settlement Agreement shall not become effective until the Commission issues a final decision addressing the Settlement Agreement. In the event the Commission modifies this Settlement Agreement in a manner unacceptable to any Settling Party, that Settling Party may withdraw from the Settlement Agreement and shall so notify the Commission and the other Settling Parties in writing within ten (10) days of the date of the Commission order. In the event a Settling Party exercises its right to withdraw from the Settlement Agreement, this Settlement Agreement shall be null and void and of no effect in this or any other proceeding.

9. There shall be no legal presumption that any specific Settling Party was the drafter of this Settlement Agreement.

10. This Settlement Agreement may be executed in counterparts, all of which when taken together shall constitute the entire Agreement with respect to the issues addressed by this Settlement Agreement. This Settlement Agreement may be executed and delivered electronically and the Settling Parties agree that such electronic execution and delivery, whether executed in counterparts or collectively, shall have the same force and effect as delivery of an original document with original signatures, and that each Settling Party may use such facsimile signatures as evidence of the execution and delivery of this Settlement Agreement by the Settling Parties to the same extent that an original signature could be used.

Dated this 13th day of March 2024

Agreed on behalf of:

**PUBLIC SERVICE COMPANY OF COLORADO**

By: /s/ Jason J. Peuquet

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