

Decision No. C25-0356-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25D-0183G

IN THE MATTER OF THE JOINT PETITION OF PUBLIC SERVICE COMPANY OF COLORADO AND THE COLORADO ENERGY OFFICE FOR APPROVAL OF SELECT GAS PLANNING PILOT COMMUNITIES AS DIRECTED BY HOUSE BILL (HB) 24-1370.

**INTERIM COMMISSION DECISION SETTING
SHORTENED NOTICE AND INTERVENTION PERIOD;
AND REQUESTING WRITTEN COMMENTS**

Issued Date: May 7, 2025

Adopted Date: May 7, 2025

NOTICE TO THE PARTIES IN THIS MATTER AND ALL INTERESTED PERSONS,
FIRMS, OR CORPORATIONS

I. BY THE COMMISSION

A. Statement

1. By this Decision the Commission issues notice of the Petition for Approval of Selected Gas Planning Pilot Communities and Submittal of Proposed Partnership Agreement (“Petition”) filed April 30, 2025, jointly by Public Service Company of Colorado (“Public Service” or the “Company”) and the Colorado Energy Office (“CEO”) (together, “Joint Petitioners”) pursuant to House Bill (“HB”) 24-1370.

2. Concurrent with the Petition, Joint Petitioners submit an associated draft agreement upon which the Company and approved communities will negotiate the terms of their partnership (“Partnership Agreement”) as Attachment A to the Petition, pursuant to requirements in § 40-3.3-102(2)(a), C.R.S.

3. Pursuant to HB 24-1370, the Petition seeks approval of the three primary communities (“Primary Communities”) to advance to the next phase of negotiations, in addition to two backup communities (“Backup Communities”) to advance should the Company and any of the Primary Communities be unable to reach an agreement on terms under the Partnership Agreement. Pursuant to § 40-3.3-102(2)(a)(c), C.R.S., the Commission is directed to approve or modify the list of proposed gas planning pilot communities by June 30, 2025.

4. This Decision grants the Joint Petitioner’s request for shortened notice, and establishes a 7-day notice and intervention period for the Petition through May 14, 2025. In addition, we encourage written public comments regarding the Petition.

5. We invite interested persons to file initial comments by **5:00 p.m. on May 14, 2025**. Any person desiring to intervene or participate as a party in this proceeding in accordance with the Rule 1401 of the Commission’s Rules of Practice and Procedure, 4 *Code of Colorado Regulation* (“CCR”) 723-1, and shall file appropriate notices or motions concurrent with their respective comments by **5:00 p.m. on May 14, 2025**.

6. Public comments may continue to be filed at any time. Through this Decision we encourage comments responsive to the initial comments by May 23, 2025. This timeline enables the Commission to consider comments, address interventions, and direct any further procedural steps prior to making a determination as required in § 40-3.3-102(2)(a)(c), C.R.S., by June 30, 2025.

B. Discussion

1. HB 24-1370

7. HB 24-1370 established a process by which Public Service can partner with communities to mutually explore opportunities for neighborhood-scale alternatives energy

projects, or non-pipeline alternatives (“NPA”). The statute establishes minimum criteria that a local government must meet in order to become a “gas planning pilot community.”¹

8. Pursuant to HB 24-1370, CEO, the Company, and the Commission must complete specific items by a prescribed timeline. First, CEO must issue a request for information to identify local government interest no later than December 1, 2024. Then, the Company and CEO must jointly file with the Commission the results of the request for information no later than April 30, 2025. In their filing with the Commission, they shall identify up to five proposed gas planning pilot communities and provide a draft agreement between the Company and any proposed gas planning pilot community. Section 40-3.3-102, C.R.S. then directs the Commission to issue a decision approving or modifying the list of proposed gas planning pilot communities no later than June 30, 2025. The Company then must negotiate the Partnership Agreement and file no later than October 1, 2025 executed agreements. By no later than June 1, 2026, the Company and the community will jointly file for Commission approval of at least one initial neighborhood-scale alternatives project² within each of the Gas Planning Pilot Communities, along with a list of projects that will continue to be evaluated with the communities. By June 1, 2027, the Company and communities will jointly file for approval of one or more projects within the Gas Planning

¹ A “gas planning pilot community” means a local government in which constituents have gas service provided by a dual-fuel utility and an active franchise agreement with the dual-fuel utility, which local government formally indicates an interest in working with the dual-fuel utility to mutually explore opportunities for neighborhood-scale alternatives projects, including through the exchange of utility gas infrastructure data and community development plans. § 40-3.3-102(1)(7), C.R.S.

² A “Neighborhood-Scale Alternatives Project” means a project in a gas planning pilot community: (a) where a dual-fuel utility: (i) provides both gas and electric service; (ii) provides gas service and a municipally owned utility operated by the gas planning pilot community provides electric service; or (iii) provides gas service and a cooperative electric association that serves a gas planning pilot community has voluntarily partnered with the dual-fuel utility; and (b) that geographically targets decommissioning a portion of the gas distribution system or avoids expanding the gas distribution system in order to serve new construction projects and provides alternative energy service to buildings within the project area that reduces future greenhouse gas emissions required to serve buildings. § 40-3.3-102(1)(11), C.R.S.

Pilot Communities, or shall file a report explaining why certain projects included in the 2026 filing are not being pursued.

9. HB 24-1370 requires the Company and the Gas Planning Pilot Communities to rank and prioritize projects within each community based on local government input and consideration of several factors, including: (a) the number of and customer class served; (b) the degree of support for the project from impacted customers; (c) the cost-effectiveness of the project; (d) the net cost to customers potentially participating in the project; (e) the availability of alternative energy service; (f) the availability of thermal energy networks; (g) whether the project would serve new development, existing customers, or both; (h) prioritization of projects included in a gas infrastructure plan (“GIP”); and (i) the location of nearby disproportionately impacted communities.³ These projects would either target the decommissioning of a portion of the gas distribution system or target the avoiding of expansion of the gas distribution system for new construction and would provide alternative energy service (such as geothermal, all-electric construction, or thermal energy heating) to help reduce greenhouse gas emissions from the building sector.

2. Petition

10. In the Petition, the Joint Petitioners seek approval of the three Primary Communities to advance to the next phase as outlined by HB 24-1370 as well as approval of two Backup Communities to advance should any Primary Communities not move forward. The three Primary Pilot Communities identified are: Denver, Boulder, and Breckenridge. The two Backup Communities are Winter Park and Golden.

³ See § 40-3.3-103(1), C.R.S.

11. CEO and Public Service evaluated the responses to CEO's request for information and asked for additional feedback which was included as Attachment B to this Petition. CEO and Public Service individually evaluated and scored the responses and the combined scores determined the top five communities.⁴ The order of highest scored as follows: (1) Denver; (2) Winter Park; (3) Boulder; (4) Breckenridge; and (5) Golden.⁵ Once CEO and the Company developed the top five communities, the Company evaluated the proceedings in which it could be directed to pursue non-pipeline alternatives or alternative energy services, including the Thermal Energy Network Pilot (Proceeding No. 24A-0369G), the Mountain Energy Project (Proceeding No. 25A-0044EG), and the 2025-2030 Gas Infrastructure Plan (anticipated May 2025). As part of that evaluation, the Company identified that there were no GIP planned projects within Winter Park, meaning that designating the community as a Gas Planning Pilot Community may not have as much of an impact as designating a community with planned projects, as the statute directs data sharing for GIP planned projects.⁶

12. Public Service and CEO agree that moving forward at this time with three Gas Planning Pilot Communities is appropriate due to the magnitude of gas-related proceedings pending or expected before the Commission. Public Service states that it is concerned that committing to more than three Gas Planning Pilot Communities will leave the Company spread too thinly to properly serve the communities and support potential projects and may unduly burden or lead to a poor experience for the communities on projects that the Company is unable to support to the best of its capabilities.⁷

⁴ Petition, p. 6.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at p. 7.

13. In the Petition, the Joint Petitions request that the Commission issue a final decision as soon as possible, but no later than June 30, 2025. The Petition seeks approval of the three Primary Communities, the two Backup Communities, and the draft Partnership Agreement. They also request an expedited notice and intervention period of seven days.

C. Findings and Conclusions

14. We find good cause to shorten notice of the Petition given timelines set forth in HB 24-1370. The Commission shall make a determination to approve or modify the list of proposed gas planning pilot communities by June 30, 2025, consistent with § 40-3.3-102(2)(a)(c), C.R.S.

15. The Petition is available for public inspection by accessing the Commission's E-Filings System under Proceeding No. 25D-0183G at:

https://www.dora.state.co.us/pls/efi/EFI.Show_Docket?p_session_id=&p_docket_id=25D-0183G

16. This Decision is the Notice that the Petition seeking approval of the three Primary Communities to advance to the next phase of negotiations as outlined in HB 24-1370, in addition to two Backup Communities to advance should the Company and any of the Primary Communities be unable to reach an agreement on terms under the Partnership Agreement, has been filed by the Joint Petitioners.

17. Given the statutory timelines, including the requirement for Commission approval or modification of the list of proposed gas planning pilot communities by June 30, 2025, we find good cause to grant the Joint Petitioner's request for shortened notice and intervention.

18. This Decision establishes a 7-day shortened notice and intervention period for the Petition. The Commission's notice period for the Petition shall extend through and

including **5:00 p.m. on May 14, 2025**. The intervention period shall run concurrent with the notice period. Interventions shall be due by **5:00 p.m. on May 14, 2025**.

19. An initial written comment period will run concurrent with the notice period. Comments to the Petition shall also be filed by **5:00 p.m. on May 14, 2025**.

20. Responsive comments to any initial comments are encouraged by 5:00 p.m. on May 23, 2025. The Commission will determine through future decision if further procedural or other direction is needed prior to a final determination on the Petition by June 30, 2025.

II. ORDER

A. It Is Ordered That:

1. The request for shortened notice and intervention filed within the Petition for Approval of Selected Gas Planning Pilot Communities and Submittal of Proposed Partnership Agreement (“Petition”) filed April 30, 2025, jointly by Public Service Company of Colorado (“Public Service” or the “Company”) and the Colorado Energy Office (“CEO”) (together, “Joint Petitioners”) pursuant to House Bill (“HB”) 24-1370, is granted.

2. Service of this Decision will provide notice of the Petition to all interested persons, firms, and corporations.

3. The notice period for the Petition shall extend through and include **5:00 p.m. on May 14, 2025**.

4. Any person desiring to intervene or participate as a party in this Proceeding shall file a petition for leave to intervene or, pursuant to the Commission’s Rules of Practice and Procedure, other appropriate pleadings to become a party by **5:00 p.m. on May 14, 2025**.

5. Alternatively, persons who do not wish to intervene or become a party, but desire to file comments, may send written comments on or before 5:00 p.m. on May 14, 2025, addressed

to the Public Utilities Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202, or through the Commission’s E- Filings System under Proceeding No. 25D-0183G at: <https://puc.colorado.gov/>.

6. Initial comments to the Petition shall be filed no later than **5:00 p.m. on May 14, 2025.**

7. Reply comments to the initial comments are encouraged to be filed no later than 5:00 p.m. on May 23, 2025.

8. This Decision is effective immediately upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS’ WEEKLY MEETINGS:
May 7, 2025.**

(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