

(Decision No. C93-1540)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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IN THE INVESTIGATION OF GAS COST))
AND PURCHASED GAS ADJUSTMENT) DOCKET NO. 93I-701G
CLAUSES FOR REGULATED GAS))
UTILITIES.) COMMISSION ORDER

Mailed Date: December 16, 1993
Adopted Date: December 9, 1993

STATEMENT

BY THE COMMISSION:

The Commission recently concluded Docket No. 93S-001EG, Public Service Company of Colorado's ("PSCo" or "Company") 1993 general rate case, by issuing Decision No. C93-1346. In that proceeding, issues arose regarding the inclusion or exclusion of various costs in PSCo's gas cost adjustment ("GCA"). For example, the parties disputed whether Gas Research Institute charges, the Annual Charge Adjustment approved by the Federal Regulatory Energy Commission ("FERC"), shrink expense and liquid product revenues should be included in the Company's GCA. Presently, the Company recovers FERC-approved take-or-pay costs through its GCA filings. The parties also disagreed as to whether these take-or-pay costs should continue to be recovered in this manner. See Decision No. C93-1346, pages 94 through 96. With respect to these particular disputes, our decision in PSCo's general rate case essentially maintained the status quo.

We declined to make changes in the Company's GCA in Docket No. 93S-001EG, observing that these issues should be explored in a separate proceeding. We now open the instant docket to investigate these and related matters concerning the GCAs and purchased gas adjustments ("PGA") of all utilities subject to our jurisdiction. The purpose of this docket is to investigate whether the GCAs or PGAs of any jurisdictional utilities should be modified in any respect (e.g., whether particular costs should be excluded from recovery in a GCA). Since we now contemplate an examination of the GCAs or PGAs of all regulated gas utilities, it is appropriate to proceed by rulemaking.

Before initiating formal rulemaking, however, we wish to solicit the views of interested parties regarding proposed rules on the relevant issues. See § 24-4-103(2), C.R.S. Therefore, the instant docket is hereby opened. Interested persons may file entries of appearance or petitions for intervention, in accordance

with applicable rules, within 30 days of the date of this order. The Commission also directs that, within 30 days of the effective date of this order, interested parties shall file written comments regarding the manner in which this investigatory docket should be conducted. For example, the Commission could allow the various positions regarding proposed GCA or PGA rules to be presented in written comments only. Alternatively, the Commission could conduct informal conferences at which interested parties could present proposed rules concerning GCAs or PGAs. As a third alternative, the Commission could conduct formal hearings (i.e., prefiled testimony, hearings for the cross-examination of witnesses, a written decision after hearing which would initiate the formal rulemaking process, etc.). After considering these comments, the Commission shall issue further directives regarding this proceeding.

THEREFORE THE COMMISSION ORDERS THAT:

1. Docket No. 93I-701G is hereby opened for the purposes of considering the issues specified above and any related matter.


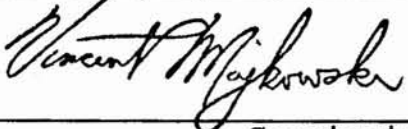
2. Interested persons shall file entries of appearance or petitions for intervention in this proceeding, in accordance with applicable rules, within 30 days of the effective date of this Order.

3. Interested parties shall file written comments setting forth their recommendations for the conduct of this proceeding, consistent with the above discussion, within 30 days of the effective date of this Order.

This Order is effective on its Mailed Date.

ADOPTED IN OPEN MEETING December 9, 1993.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO



Commissioners

COMMISSIONER CHRISTINE E. M. ALVAREZ
ABSENT.

TM:srs