

Decision No. C03-0314

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 03L-081E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF
COLORADO TO REVISE ITS INCENTIVE COST ADJUSTMENT ON LESS THAN
STATUTORY NOTICE.

**COMMISSION ORDER AUTHORIZING
DOWNWARD REVISION OF ELECTRIC RATES**

Mailed Date: March 28, 2003

Adopted Date: March 26, 2003

I. BY THE COMMISSION:

A. Statement, Findings, and Conclusions

1. On March 5, 2003, Public Service Company of Colorado (Public Service or Company) filed a verified application seeking a Commission order authorizing it, without formal hearing and on less-than-statutory notice, to place into effect on April 1, 2003, tariffs resulting in a decrease to its existing electric rates now on file with the Commission in accordance with a Settlement Agreement of Decision No. C02-609 in Docket No. 02A-158E. In the Settlement Agreement, the Company established a Settlement Incentive Cost Adjustment (ICA) to recover the Company's 2002 ICA costs over a Settlement ICA Recovery Period of June 1, 2002 through March 31, 2005.

2. While the Settlement Agreement in Decision No. C02-609 contemplated that the Company would file its Application on March 1, 2003, that date fell on a Saturday. The Company required two additional business days to prepare its Application and exhibits due to unavailability of certain data needed for the preparation of the filing.

3. The effect of the proposed ICA on Public Service revenue will be a decrease from the revenues generated by the presently effective ICA based upon the following from the Settlement Agreement of Docket No. 02A-541E: 1) differences between projected 2002 ICA Costs and actual 2002 ICA costs; 2) differences between projected and actual 2002 sales; and 3) changes in projected sales for the remaining Settlement ICA Recovery Period.

4. A separate application for review of recoverable 2002 ICA costs will be filed by the Company in the near future.

5. The decrease results from the replacement of the old ICA of \$0.00210/kWh with the new ICA of \$0.00207/kWh.

6. The attached proposed ICA tariffs affect all of Public Service's customers.

7. Public Service's proposed electric ICA will result in a decrease of \$781,553 below the revenues generated by the currently effective ICA based upon kilowatt-hour sales for the 12 months ended March 31, 2004.

8. The filing of this application was brought to the attention of Public Service's customers by publication in *The Denver Post* on March 7, 2003.

9. This application for authority to decrease rates is made under § 40-3-104(2), C.R.S., and *Commission Rule of Practice and Procedure 41(e)*, 4 *Code of Colorado Regulations* 723-1.

10. The Commission finds that good cause exists for the Commission to allow the proposed tariff to become effective on less than 30 days' notice.

II. ORDER**A. The Commission Orders That:**

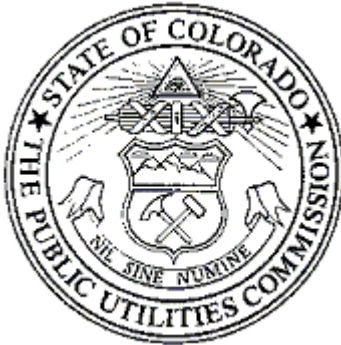
1. The application to place into effect tariffs setting forth the Incentive Cost Adjustment filed by Public Service Company of Colorado is deemed complete.

2. Public Service Company of Colorado is authorized to file the tariffs attached to this Order, on not less than one day's notice, to be effective on April 1, 2003.

3. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' DELIBERATIONS MEETING
March 26, 2003.**

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

GREGORY E. SOPKIN

JIM DYER

Commissioners

COMMISSIONER POLLY PAGE ABSENT.