

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

DOCKET NO. 04L-642G

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IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR AN ORDER AUTHORIZING IT TO EFFECT CERTAIN REVISIONS IN GAS RATES UNDER ITS MONTHLY GAS COST ADJUSTMENT MECHANISM UPON LESS THAN STATUTORY NOTICE.

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**COMMISSION ORDER AUTHORIZING  
DOWNWARD REVISIONS OF GAS RATES**

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Mailed Date: December 28, 2004  
Adopted Date: December 28, 2004

**I. BY THE COMMISSION**

**A. Statements, Findings, and Conclusions**

1. On December 17, 2004, Public Service Company of Colorado (Public Service or Applicant) filed a verified application requesting a Commission order authorizing it, without formal hearing and on less-than-statutory notice, to place into effect on January 1, 2005, tariffs resulting in a decrease to its existing natural gas rates now on file with the Commission.

2. In addition, pursuant to Rule 4 *Code of Colorado Regulations* (CCR) 723-16-3 of the Commission's rules governing the treatment of confidential information, Public Service has filed under seal an original and six copies of Gas Cost Adjustment (GCA) Exhibit No. 2 containing material that it claims is highly confidential, proprietary, and market-sensitive.

3. Public Service is an operating public utility subject to the jurisdiction of this Commission and is engaged, in the purchase, transmission, distribution, transportation, and resale of natural gas in various certificated areas within the State of Colorado.

4. This application for authority to decrease rates is made pursuant to § 40-3-104(2), C.R.S., 4 CCR 723-1-41.5, and Commission Decision No. C04-1112. Public Service is required to make 1 annual and 11 monthly GCA filings pursuant to the Stipulation and Agreement approved by the Commission in Decision No. C04-1112 (Docket No. 02A-267G). This application to change GCA on a monthly basis is intended to comply with that order. Out of the four categories of gas costs contained in the GCA, Gas Commodity Cost and Deferred Gas Cost are subject to revisions on a monthly basis.

5. The proposed tariffs are attached to the application, and affect Applicant's customers in its Colorado certificated areas on file with the Commission. The net effect of the revision in the GCA for the month of December would be to decrease revenues by \$7,289,124 or 4.14 percent below that yielded by the currently effective GCA due to a decrease in Gas Commodity Cost and Deferred Gas Cost.

6. The natural gas costs reflected in this filing are based on the New York Mercantile Exchange January 2005 Daily closing price for natural gas on the seventh business day of the preceding month, or December 9, 2004, and adjusted for the basis differentials applicable to regional indices used by the Applicant for its gas purchases. The resulting Gas Commodity Cost and Deferred Gas Cost are \$6.338 per Dth and (\$0.002) per Dth, respectively, to be effective December 1 as compared to \$6.660 per Dth and (\$0.018) per Dth contained in the current GCA.

7. Applicant affirms that the GCA is currently not impacted by gas transportation commodity discounts on its system as all discounted transportation commodity rates are in excess of the Current Gas Cost portion of the transportation charge (*i.e.*, gas balancing costs).

8. Pursuant to the requirements in Decision No. C04-1112, the filing of this application has been or will be brought to the attention of Applicant's affected customers by means of a legal notice in a newspaper of general circulation, a first of the month display ad, an *Update* article, at least one press release, Interactive Voice Response system on the Xcel Energy customer service phone system, information on the Xcel Energy website, and access to Xcel Energy customer service representatives as needed.

## **II. ORDER**

### **A. The Commission Orders That:**

1. The application filed by Public Service Company of Colorado for authority to change tariffs on less-than-statutory notice is granted.
2. Public Service Company of Colorado is authorized to file, on not less than one day's notice, the tariffs attached as Appendix A and made a part of this Order. These tariffs shall be effective for actual gas sales on or after their effective date of January 1, 2005.
3. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
December 28, 2004.**

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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Commissioners