

**Attachment C**  
**Public Service Company of Colorado**  
**Proposed Rule for Rate Case Test Years Other Than Historical Test Years**

The following minimum rate filing standards shall apply to all utilities who file an Advice Letter with the Commission to revise their base rates utilizing a test year other than a historical test year.

- (a) Definitions. The following definitions apply only to rule XXXX.
- (I) “Adjusted historical test year” or “Adjusted HTY” means a utility’s historical test year data that includes fully explained annualizations, normalizations, and adjustments for known and measurable changes, and regulatory adjustments that occur within the historical test year or that are expected to occur one year after the end of the historical test year.
  - (II) “Cost category” means, for the utility how it tracks its costs by utility function, for example Steam Production operations and maintenance costs.
  - (III) “Future test year” or “FTY” means any period selected by the utility for evaluation as the test year that begins after the selected historical test year. Each year period during a multi-year plan will be considered a FTY.
  - (IV) “Historical test year” or “HTY” means, a twelve month period ending prior to the filing date of an Advice Letter with the Commission to revise base rates.
  - (V) “Linkage data” means:
    - (A) for a single year future test year, a specific and detailed description of all line items for the period of time between the end of the adjusted historical test year and the beginning of the future test year.
    - (B) for a multi-year plan, a specific and detailed description of all line items for the period of time between the end of the adjusted historical test year, the beginning of the initial future test year period, and between each of the future test year periods.
  - (VI) “Multi-year plan” or “MYP” means, a single Advice Letter filing with the Commission to revise base rates consisting of more than one FTY.
  - (VII) “Regulatory adjustments” means accounting adjustments, Commission ordered adjustments, and pro forma adjustments.
- (b) Contents of Rate Application Based on a FTY Period Including MYP Filings. The rate application shall include:

- (I) A historical test year;
  - (II) An adjusted historical test year; and
  - (III) A future test year period or multiple future test year periods for each year of a multi-year plan filing.
- (c) Future Test Year Support.
- (I) For each cost category that the utility utilizes escalators, the utility shall present at a minimum:
    - (A) Utility historical trend information by the cost category by FERC account for two calendar years prior to the HTY. For example, if the HTY is calendar year 2010 and the FTY is calendar year 2012, the utility shall provide historical data starting with calendar year 2007 and show the trend of that cost data through 2008, 2009, and 2010.
    - (B) A summary of the evaluation of multiple escalator options and outcomes and an explanation as to why the escalator selected by the utility is the appropriate escalator to be applied for the utility and for the FTY.
  - (II) For each cost category that the utility utilizes the utility's budget, the utility shall present at a minimum:
    - (A) The utility's budgeting guidelines, processes, and procedures.
    - (B) For capital additions, a project by project presentation of cost and project explanation for each capital addition that has a cost of greater than \$XX.
    - (C) For operations and maintenance cost categories, detailed descriptions of what that cost category includes as well as the business changes from the historical period that are causing the historical test year to not be representative of the ongoing costs.
  - (III) A statement explaining why the requested FTY or MYP is representative of the utility's current and ongoing operations, and therefore results in just and reasonable rates.
  - (IV) Linkage data to enable interested parties to assess the validity of estimates contained in each submitted future test year.
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