

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19AL-0687E

IN THE MATTER OF ADVICE LETTER NO. 1814 FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO IMPLEMENT THE MODIFIED RESIDENTIAL ENERGY TIME-OF-USE SCHEDULE TO BECOME EFFECTIVE JANUARY 2, 2020.

**DECISION SUSPENDING EFFECTIVE
DATE OF TARIFF SHEETS AND REFERRING THE
MATTER TO AN ADMINISTRATIVE LAW JUDGE**

Mailed Date: December 18, 2019
Adopted Date: December 17, 2019

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY APPEARING AT THE HEARING. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS MATTER, YOU MUST REQUEST PERMISSION FROM THE COMMISSION TO BE AN INTERVENOR (EVEN IF YOU HAVE ALREADY FILED AN OBJECTION). ANYONE DESIRING TO INTERVENE MUST CAREFULLY FOLLOW THE LAW AND COMMISSION RULES FOR BECOMING AN INTERVENOR. FOR FURTHER INFORMATION ON HOW TO INTERVENE, CALL (303) 894-2070 (PUC EXTERNAL AFFAIRS OFFICE).

I. BY THE COMMISSION

A. Statement

1. This Decision sets for hearing the tariffs filed by Public Service Company of Colorado (Public Service or Company) under Advice Letter No. 1814-Electric and suspends their effective date to May 1, 2020.

2. We refer the matter to an Administrative Law Judge (ALJ) for hearing.

3. A pleading to intervene in this matter may be filed by any person, firm, or corporation desiring to be a party and fully participate in this proceeding no later than 30 days after the mailing date of this Decision.

B. Discussion

4. On December 2, 2019, Public Service filed Advice Letter No. 1814-Electric with tariff sheets implementing a modified Residential Energy Time-of-Use 1 January Schedule (Modified Schedule RE-TOU) and related tariff changes. Public Service states that the Advice Letter Filing is made pursuant to the Non-Unanimous Comprehensive Settlement Agreement (Three Case Settlement¹) approved by Decision No. C16-1075. The Three Case Settlement required that Public Service file the Advice Letter by December 2, 2019.

5. Public Service proposes an effective date of January 2, 2020, as required by to the Three Case Settlement. Public Service further requests that the Commission suspend the tariffs, and set the tariffs for hearing, with an effective date of January 1, 2021.

6. As described in the Advice Letter, Modified Schedule RE-TOU alters the structure and rates of Schedule RE-TOU and makes Modified Schedule RE-TOU the default rate for residential customers. Public Service proposes to transition RE-TOU Trial participants to Modified Schedule RE-TOU when those rates become effective and transition remaining residential customers to Modified Schedule RE-TOU as Advanced Metering Infrastructure (Advanced Meters) is deployed in customers' service areas. Public Service states that deployment of Advanced Meters is expected to begin in the second quarter of 2021.

¹ The Three Case Settlement was filed in Consolidated Proceeding Nos. 16AL-0048E, 16A-0139E, and 15A-0055E and approved by Decision No. C16-1075.

7. Other tariff changes cited in Advice Letter No. 1814-Electric include revisions to the Schedule Medical Exemption Program and modification of the Demand-Side Management Cost Adjustment, the Purchased Capacity Cost Adjustment, the Electric Commodity Adjustment, the Transmission Cost Adjustment, and the Clean Air Clean Jobs Act Rider.

8. Through Advice Letter No. 1814-Electric, Public Service also requests deferred accounting for incremental costs for billing and programming changes and customer education and outreach related to the implementation of the proposed Modified Schedule RE-TOU.

9. Public Service states that on an annual basis, there will be no bill impact for the average residential customer and that Public Service does not anticipate a change to its annual electric revenues as a result of implementing the Modified Schedule RE-TOU rates.

10. Public Service filed the Direct Testimony of witnesses Brook Trammell, Steven Wishart, Stacey Simms, and Jennifer Wozniak in support of the Advice Letter filing.

11. In her pre-filed Direct Testimony, Ms. Trammell states that the filing of the Modified Schedule RE-TOU fulfills the requirement of Decision No. C16-1075 approving the Three Case Settlement in Public Service's 2016 Electric Phase II rate case. Ms. Trammel explains that since 2017, Public Service has been conducting a large-scale trial for a voluntary time of use service rate called Residential Energy Time-of-Use, as required by Decision No. C16-1075. That decision also requires Public Service to file an advice letter in order for Schedule RE-TOU to become a permanent and mandatory rate for all residential customers.

12. On December 13, 2019, Staff of the Colorado Public Utilities Commission (Staff) filed a Protest Letter, requesting that the Commission suspend the tariff sheets so that Staff can further review: 1) the reasonableness of the proposed Modified Schedule RE-TOU rate structure; 2) the reasonableness of making the proposed RE-TOU rate the default rate for all residential

customers; 3) the data and assumptions relied upon in designing the new Modified Schedule RE-TOU; 4) the likelihood that the Modified Schedule RE-TOU will be revenue neutral with respect to the Schedule R rate that it would replace; 5) potential bill impacts on customers; 6) the particular impact of Modified Schedule RE-TOU on low-income customers; and 7) the reasonableness of Public Service's request for deferred accounting of expenses associated with implementing Modified Schedule RE-TOU. Staff requests that the matter be set for hearing.

13. Pursuant to § 40-6-111(1), C.R.S., the Commission may, in its discretion, set the tariff pages for hearing which will suspend the effective date for 120 days from the proposed effective date. If no new tariffs are established by the Commission before the end of the 120-day suspension period, in this instance May 1, 2020, and if the Commission does not further suspend the effective date of the tariffs pursuant to § 40-6-111(1), C.R.S., the tariff pages filed by Public Service may become effective.

14. Section 40-6-111(1), C.R.S., also provides that the Commission may, in its discretion, by a separate decision, suspend the effective date of the tariff page(s) for an additional 130 days. Thus, the Commission has the power and authority to suspend the effective date of the tariff pages for a maximum of 250 days. If the Commission further suspends the effective date of the tariff pages for an additional 130 days, and if no new tariffs are established by the Commission before the end of the suspension period, the tariff pages filed by Public Service may become effective.

C. Conclusions and Findings

15. The Commission finds good cause to set for hearing the tariffs submitted with Advice Letter No. 1814-Electric.

16. The initial suspension period for the tariff pages submitted with the tariff pages submitted with Advice Letter No. 1814-Electric shall extend through May 1, 2020.

17. We refer this matter to an Administrative Law Judge.

18. A pleading to intervene may be filed by any person, firm, or corporation desiring to be a party and fully participate in this consolidated proceeding, as ordered below. The filing of any other document protesting the tariff pages shall not allow participation as an intervenor in this matter.

II. ORDER

A. The Commission Orders That:

1. The proposed effective date, January 2, 2020, of the tariff pages filed by Public Service Company of Colorado (Public Service) with Advice Letter No. 1814-Electric in Proceeding No. 19AL-0687E is suspended until May 1, 2020, or until further order of the Commission.

2. This matter is referred to an Administrative Law Judge. The Administrative Law Judge shall set a hearing date, rule on interventions, and establish other procedures by separate decision(s), consistent with the discussion above.

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariff pages, who desire to intervene and participate as a party in this proceeding shall file a motion to intervene with the Commission within 30 days after the mailing date of this Decision and shall serve a copy of the notice or motion on Public Service's attorney of record.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
December 17, 2019.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

FRANCES A. KONCILJA

JOHN GAVAN

Commissioners