

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21I-0076EG

IN THE MATTER OF THE INVESTIGATION INTO THE EXTREME WEATHER EVENT OF
FEBRUARY 13-16, 2021 AND THE PLANNING ACTIVITIES ASSOCIATED WITH THE
EVENT.

**COMMISSION DECISION OPENING INVESTIGATORY
PROCEEDING AND DIRECTING THE FILING OF
SITUATION REPORTS**

Mailed Date: February 17, 2021

Adopted Date: February 17, 2021

I. BY THE COMMISSION

A. Statement

1. The State of Colorado, as well as much of the central United States, experienced extremely cold weather beginning February 13, 2021. This event resulted in unprecedented natural gas prices that were on the order of \$190 per MMBtu at the Rocky Mountain - Cheyenne Hub and \$150 per MMBtu at the West Texas Permian Basin – Waha Hub. Some areas of the country were substantially higher with pricing on the ONEOK exceeding \$600 per MMBtu.

2. We understand that some of our regulated electric and gas utilities may have purchased natural gas in anticipation of the extreme weather event for the period from February 13 through 16, 2021 at very high costs that may result in ratepayers experiencing higher than normal Electric Commodity Adjustment and Gas Cost Adjustment rates in the future.

3. Considering the extreme gas prices associated with this event, the Commission hereby opens an investigatory proceeding to collect certain information related to this event from:

Atmos Energy Corporation, Black Hills Colorado Gas, Inc., Black Hills Colorado Electric, LLC, Colorado Natural Gas, Inc., and Public Service Company of Colorado.

4. Each of the aforementioned utilities are directed to prepare and file a report in this proceeding, on or before February 24, 2021, providing the following information:

- a) A discussion of the utility's forecasts for temperatures and load leading up to the period February 13-16, 2021;
- b) The pricing of natural gas leading up to the period February 13-16, 2021;
- c) The purchases of natural gas executed by the utility to serve projected loads for the period February 13-16, 2021;
- d) The role and effectiveness of natural gas hedging activities as they relate to the period February 13-16, 2021; and
- e) Any other information that the utility believes the Commission may find helpful in understanding the planning and actions taken as they relate to the extreme weather event of February 13-16, 2021.

5. The Commission is likely to direct the filing of additional information after being informed by these initial reports.

II. ORDER

A. The Commission Orders That:

1. An investigatory proceeding is opened to receive information from Atmos Energy Corporation, Black Hills Colorado Gas, Inc., Black Hills Colorado Electric, LLC, Colorado Natural Gas, Inc., and Public Service Company of Colorado regarding planning and actions taken regarding the extreme weather event of February 13-16, 2021.

2. Each of the aforementioned utilities are directed to prepare and file on or before February 24, 2021 a report in this proceeding, consistent with the discussion above.

3. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
February 17, 2021.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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JOHN GAVAN

MEGAN M. GILMAN

Commissioners