

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21L-0116E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR AN ORDER AUTHORIZING IT TO REVISE ITS ELECTRIC COMMODITY ADJUSTMENT TO BE EFFECTIVE APRIL 1, 2021, ON LESS THAN STATUTORY NOTICE.

**COMMISSION DECISION AUTHORIZING
AN UPWARD REVISION OF
THE ELECTRIC COMMODITY ADJUSTMENT**

Mailed Date: March 24, 2021

Adopted Date: March 24, 2021

I. BY THE COMMISSION

A. Statement

1. On March 15, 2021, Public Service Company of Colorado (Public Service or Applicant) filed an application seeking a Commission decision authorizing it, without a formal hearing and on less-than-statutory notice, to increase the Electric Commodity Adjustment (ECA) Factors and place into effect on April 1, 2021, tariffs resulting in an increase to its existing ECA rates now on file with the Commission (Application).

2. In the application, Public Service also requests a waiver of its Colorado ECA No. 8 Electric Tariff Sheet No. 143D to allow it to incorporate the Deferred Account Balance component of the ECA as of January 31, 2021, instead of February 28, 2021, as required by tariff, and to continue to defer amounts from February of 2021 while the Commission reviews the costs incurred in response to the extreme weather from February 13 through 16, 2021 through a separate procedural process.

3. The proposed tariffs are attached to the Application as Exhibit No. 1 and affect Applicant's customers in Colorado.

4. This Application for authority to change tariffs is made pursuant to §§ 40-3-104(1)(c)(III) and 40-3-104(2), C.R.S., and Rule 3109(b)(II) of the Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* (CCR) 723-3.

B. Findings and Conclusion

5. The Application contains all of the information required by Commission Rules and is therefore deemed complete.

6. Applicant is an operating public utility subject to the jurisdiction of this Commission and is engaged in, *inter alia*, the generation, transmission, and distribution of electricity for public uses in various certificated areas within the State of Colorado.

7. Applicant generates electricity from its own power plants to meet its customers' demands and also purchases electricity from time-to-time to supplement its own generation from other utilities in the west and east interconnections.

8. Decision No. C09-1446, Proceeding No. 09AL-299E, issued December 24, 2009, maintained the requirement that Public Service file quarterly revisions to its ECA Factors.

9. In Decision No. C07-0676, Proceeding No. 06A-478E, issued August 9, 2007, the Commission granted Public Service's request to collect the Modeled ECA Costs as provided in the Renewable Energy Standard Compliance Plan through the ECA. In Decision No. R09-0549, Proceeding No. 08A-532E, issued May 22, 2009, the Commission approved the methodology for the change in the true-up procedure between the projected costs of Eligible Energy and the actual cost of Eligible Energy to be collected in the ECA.

10. The Applicant, in calculating the new Residential Energy-Time of Use and Residential Demand-Time Differentiated Rate Schedules, applied the methodology approved by Commission Decision No. C16-1075 on November 23, 2016, in its Phase II Electric Rate Case, Proceeding No. 16AL-0048E.

11. The proposed tariffs are attached to this Decision as Appendix A. Public Service projects that the revised ECA Factors will result in an increase of \$950,850 in its revenues under the currently effective ECA Factors for the period January 1 through March 31 of 2021. Per Commission Decision Nos. C16-0958, Proceeding No. 16A-0117E, issued October 20, 2016 and C19-0367, Proceeding No. 18A-0905E issued April 25, 2019, Public Service has included Overall Wind Production Tax Credits of \$33,290,907. Public Service has applied a \$7,973,578 Renewable Energy Standard Adjustment credit. Also included in the ECA calculation is an ECA Deferred Account under-collected balance of \$25,174,148, Cheyenne Ridge Revenue Requirement of \$22,879,347, Rush Creek Capital Cost sharing of \$597,977, the recovery of earnings associated with the Cheyenne Ridge Wind Project deferred tax assets of \$678,513, Integrated Volt-Var Optimization Energy Reduction Benefit Savings of \$252,895, a Renewable*Credit subscription payment of \$1,384,857, and a total payment amount from the City of Pueblo of \$1,460,008 for the tax year 2019.

12. The estimated effect of the requested revised ECA Factors on residential electric bills is an increase of \$0.64 per month to \$74.55 or a 0.87 percent increase, based on a monthly use of 617 kilowatt-hours. The estimated effect of the requested revised ECA Factors on small commercial electric bills is an increase of \$0.98 per month to \$111.13, or a 0.89 percent increase, based on a monthly use of 941 kilowatt-hours. On a percentage basis, the following increases for

Public Service's other rate schedules are anticipated: 1.05 percent for Secondary General, 1.31 percent for Primary General, and 1.52 percent for Transmission General.

13. The notice of this Application was published in the Legal Classified Section of *The Denver Post*, a newspaper of general circulation within Public Service's service territory, on March 17, 2021.

14. The Commission finds good cause to grant the waiver of Tariff Sheet No. 143D to allow it to incorporate the Deferred Account Balance component of the ECA as of January 31, 2021, instead of February 28, 2021,

15. The Commission finds good cause to allow the proposed increases on less-than-statutory notice. In addition, on its own motion, the Commission will waive Rule 1206(l) of the Rules of Practice and Procedure, 4 CCR 723-1, to permit Public Service to file the new tariffs complying with this Decision on less than two business days' notice. We find this rule waiver is necessary to permit the new tariffs to go into effect on April 1, 2021.

II. ORDER

A. The Commission Orders That:

1. The application filed by Public Service Company of Colorado (Public Service) on March 15, 2021, is deemed complete.

2. The application for authority to change tariffs on less-than-statutory notice is granted.

3. The request for waiver of Colorado PUC No. 8 Electric Tariff Sheet No. 143D to allow it to incorporate the Deferred Account Balance component of the ECA as of January 31, 2021, instead of February 28, 2021 as required by tariff is granted.

4. Public Service shall file a new advice letter and tariff on not less than two business days' notice. The advice letter and tariff shall be filed as a new advice letter proceeding and shall comply with all applicable rules. In calculating the proposed effective date, the date the filing is received at the Commission is not included in the notice period and the entire notice period must expire prior to the effective date. The advice letter and tariff must comply in all substantive respects to this Decision in order to be filed as a compliance filing on shortened notice. These tariffs shall be effective for actual electricity sales on or after their effective date of April 1, 2021.

5. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

6. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
March 24, 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