Decision No. C21-0226-I

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.

INTERIM DECISION CONSTRUING MOTION AS REQUEST AND APPROVING REQUEST

Mailed Date: April 16, 2021
Adopted Date: March 24, 2021

I. BY THE COMMISSION

A. Statement

1. In this proceeding, the Commission directed Atmos Energy Corporation (Atmos); Black Hills Colorado Gas, Inc. (BHCG) and Black Hills Colorado Electric, LLC, doing business as Black Hills Energy (collectively Black Hills); Colorado Natural Gas, Inc. (CNG); and Public Service Company of Colorado (Public Service) to file Situation Reports, on or before February 24, 2021 by Decision No. C21-0087, issued February 17, 2021, and subsequently granted an extension for submittal no later than March 5, 2021 by Decision No. C21-0101, issued February 24, 2021. On March 5, 2021, Atmos, Black Hills, CNG and Public Service filed their Situation Reports.

2. Both Atmos and CNG submitted confidential information pursuant to Rule 1101 of the Commission's Rules of Practice and Procedure 4 *Code of Colorado Regulations* (CCR)

723-1. Atmos claimed confidentiality for gas purchase information. CNG claimed confidentiality for the following:

- Gas purchasing decisions for the period from February 13, 2021 through February 16, 2021 were made based on HDD forecast form NOAA;
- Index Pricing for the discussion of the regional index pricing leading up to the dates in question;
- CNG's executed purchases: Gas Supply Purchase Details for February 13-16;
- An assessment of the role and effectiveness of natural gas hedging activities as they relate to the period February 13-16, 2021;
- A discussion of the level or amount of hedged gas that was budgeted to serve customers over the period February 13-16, 2021 and the actual amount of hedged gas that was used to serve customers over the same period; See details provided in CONFIDENTIAL Response to Subpart D (Assessment of Hedging Activities);
- Details regarding the amount of natural gas the utility had contracted prior to February 8, 2021, to serve load over the period February 13-16, 2021;
- Details regarding time of purchase, counter-party, amount, delivery point, delivery timeframe and cost for each purchase of incremental natural gas executed the week of February 8-12, 2021;
- Details regarding the gas price quotes received by the utility throughout the day of February 12, 2021;
- A detailed description of the management review process involved in approving gas purchases and storage used for the February 13-16, 2021 period.

3. Public Service and Black Hills each filed Motions for Extraordinary Protection, noting that information requested to support the Situation Reports is extremely competitively sensitive, proprietary, and highly confidential. Public Service and Black Hills each maintains that disclosure of this information to other parties participating in the trading market would negatively impact the utility's ability to pay reasonable prices for their natural gas supply and cause serious harm to customers. Public Service and Black Hills requested the Commission limit

access to Commission Staff, Commission Staff Counsel, and staff and counsel for the Office of Consumer Counsel. Public Service included two Highly Confidential attachments: Highly Confidential Attachment 1 provides actual gas sales and purchases and Confidential Attachment 2 provides information about how Public Service contracted for baseload LDC gas supply in February based on the forecasted peak day and minimum day LDC loads. Though these claims of confidentiality applied, Public Service summarized this data in publicly available tables in a manner that did not endanger its competitive position.

4. In contrast, Black Hills claimed all the following were Highly Confidential and did not provide any summaries in its report:

- The load forecast in MWh and the forecasted temperatures for the requested time period;
- Forecasted, Observed Weather and Gas Price provides forecasted and observed weather for the individual weather stations across BHCG's service territories;
- Actual gas purchases made during this weather event;
- Feb 2021 Gas Daily Prices;
- Base-Spot-Storage supply by GCA region: BHCG provides purchases of natural gas executed by BHCG over the course of the cold weather event;
- BHCG Contract Supply;
- BHCG Storage provides storage balances during February 1-7, 2021 in Dth by GCA area;
- Feb 8-12th Gas Purchases includes details of daily gas purchases executed the week of February 8-12, 2021.

5. On March 10, 2021, Tri-State Generation and Transmission Association, Inc. (Tri-State) voluntarily filed a letter to the Commission, outlining that it anticipates the cost associated with this weather event will be less than $10 million and will likely be closer to $7.5 million, with no wholesale rate increase being required of Tri-State's 42 electric utility members. Tri-State did not file any supporting data or reports.

6. On March 19, 2021, the Colorado Energy Office (CEO) filed a Motion to Supplement Situation Reports and Filings to Increase Transparency (Motion). CEO requests the Commission direct Black Hills, CNG, Atmos, and Tri-State to provide supplemental tables and summary information substantially similar to the summary text and the tables in the Public Service Situation Report, particularly the supporting text and data included in Tables 7 through 14, to further inform and educate the public on the effects of the extreme event and the measures each utility took in response. Specifically, the CEO Motion requests the utilities provide the following in a substantially similar manner as outlined in Public Service's Situation Report to the extent that such information applies to the utilities:

(1) Forecasted Gas Load for Electric Generation from February 13-16

(2) Historical Daily Mid-Point Price February 13-16

(3) LDC Gas Day-Ahead Purchases by Source from February 13-16

(4) LDC Gas Day-Ahead Purchase Costs from February 13-16

(5) Electric Generation Gas Day-Ahead Purchases by Source from February 13-16

(6) Electric Generation Gas Day-Ahead Purchases from February 13-16

(7) LDC Gas Hedging Savings from February 13-16

(8) Electric Generation Gas Hedging Savings from February 13-16

7. Given that Public Service provided this information in a manner that did not harm its competitive position or reveal trade secrets, CEO believes the other participating utilities can do the same for the benefit of Coloradoans without revealing highly sensitive, confidential information.

8. CEO requests that the Commission order the utilities, excluding Public Service, to file supplemental information that increases transparency in a manner substantially similar to the

text supporting and data included in Tables 7 through 14 as provided in Public Service's Situation Report.

II. FINDINGS

9. Rule 4 CCR 723-1-1307 of the Commission's Rules of Practice and Procedure provides that "[t]he Commission may open an administrative proceeding on its own motion at any time." Rule 1307 further provides that administrative proceedings are to be governed by the specific procedures as the Commission may order. We opened this Investigatory Proceeding under the provisions of Rule 1307 to direct Atmos, Black Hills, CNG, and Public Service to prepare and file a report in this Proceeding on or before February 24, 2021, providing the information we specified in Decision No. C21-0087.

10. Rule 4 CCR 723-1-1200(d) states that "[p]ersons participating in certain non-adjudicatory proceedings, e.g., rulemaking proceedings and administrative proceedings, are not parties. For ease of reference, such persons shall be referred to as 'participants'."

11. As an administrative proceeding, an Investigatory Proceeding such as this proceeding does not have parties. Therefore, while utilities ordered to provide information or reports may, from time-to-time appropriately file motions for extraordinary protection to protect confidential information, the Commission typically does not entertain motions from outside persons or entities in such proceedings. However, in this case, we see no prejudice or harm resulting from CEO's motion to require Black Hills, CNG, Atmos, and Tri-State to provide supplemental tables and summary information substantially similar to the summary text and the tables in the Public Service Situation Report, particularly the supporting text and data included in Tables 7 through 14, to further inform and educate the public on the effects of the extreme event and the measures each utility took in response as set forth in Paragraph No. 6 above.

12. We will construe CEO's Motion as a request to provide the information in the form requested and grant the request. We find it reasonable to have Atmos, CNG, Black Hills, and Tri-State file supplemental information that increases transparency in a manner substantially similar to the text supporting and data included in Tables 7 through 14 as provided in Public Service's Situation Report.

III. ORDER

A. It Is Ordered That:

1. The Colorado Energy Office's (CEO) Motion to Supplement Situation Reports and Filings to Increase Transparency filed March 19, 2021, is construed as a request to supplement the Situation Reports.

2. CEO's request is approved consistent with the discussion above.

3. Atmos Energy Corporation shall supplement its previously filed Situation Report as described above as soon as practicable.

4. Black Hills Colorado Gas, LLC and Black Hills Colorado Electric, Inc. shall supplement their previously filed Situation Reports as described above as soon as practicable.

5. Colorado Natural Gas, Inc. shall supplement its previously filed Situation Report as described above as soon as practicable.

6. Tri-State Generation and Transmission Association, Inc. shall supplement its previously filed Situation Report as described above as soon as practicable.

7. 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

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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JOHN GAVAN

MEGAN M. GILMAN

Commissioners