

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21A-0226E

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 JULY 1, 2021, ON THIRTY DAYS' NOTICE.

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

Mailed Date: June 28, 2021

Adopted Date: June 23, 2021

I. BY THE COMMISSION

A. Statement

1. On May 27, 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 thirty days', to increase the Electric Commodity Adjustment (ECA) Factors and place into effect on July 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 to allow it to incorporate the Deferred Account Balance component of the ECA as of April 30, 2021, leaving out the costs associated with the extreme weather event from February 13 through 19, 2021, while the Commission reviews the costs incurred in response to the extreme weather event through Proceeding No. 21A-0192EG.

3. Additionally, Public Service also requests a waiver to allow it to incorporate the 2020 Clean Air-Clean Jobs Act (CACJA) true-up in the Quarterly ECA Revenue Requirement for the third quarter 2021.

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

5. 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

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

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. 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 \$27,748,433 in its revenues under the currently effective ECA Factors for the period July 1 through September 30 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 \$32,717,988. Public Service has applied a \$2,866,285 Renewable Energy Standard Adjustment credit. Also included in the ECA calculation is an ECA Deferred Account under-collected balance of \$42,240,588, 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 \$1,192,068, and the true-up credit for the 2020 CACJA of \$155,558.

13. The estimated effect of the requested revised ECA Factors on residential electric bills is an increase of \$2.17 per month to \$76.725 or a 2.91 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 \$3.31 per month to \$114.44, or a 2.98 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: 3.51 percent for Secondary General, 4.39 percent for Primary General, and 5.10 percent for Transmission General.

14. 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 May 28, 2021. In Commission Decision No. C21-0324-I, the Commission established, on its own motion, a shortened notice and intervention period for this Verified Application. Requests to intervene in this matter were to be filed no later than June 18, 2021.

15. The Commission finds good cause to grant the waiver to allow it to incorporate the Deferred Account Balance component of the ECA as of April 30, 2021, that is net of the costs associated with the extreme weather event from February 13 through February 19, 2021.

16. The Commission finds good cause to grant the waiver to allow for the incorporation of the 2020 Clean Air-Clean Jobs Act true-up in the Quarterly ECA Revenue Requirement for the third quarter of 2021.

17. The Commission finds good cause to allow the proposed increase. 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 July 1, 2021.

II. ORDER

A. The Commission Orders That:

1. The application filed by Public Service Company of Colorado (Public Service) on May 27, 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 July 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
June 23, 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

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Commissioners