

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0442E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2024 JUST TRANSITION SOLICITATION..

**INTERIM COMMISSION DECISION ADDRESSING
APPLICATION COMPLETENESS**

Issued Date: November 27, 2024

Adopted Date: November 27, 2024

I. BY THE COMMISSION

A. Statement, Findings, and Conclusions

1. On October 15, 2024, Public Service Company of Colorado (“Public Service” or “the Company”) filed a Verified Application of Public Service Company of Colorado for Approval of its 2024 Just Transition Solicitation (“Application”).

2. The Commission, through Decision No. C24-0872-I, issued November 22, 2024, set the matter before the Commission *en banc*, established parties to the Proceeding, granted a *pro hac vice* request, set response time to Public Service’s Omnibus Motion, and directed parties to file proposals for supplemental direct and confer regarding upcoming procedures. The Commission withheld a determination of the Application’s completeness, requiring more time to properly evaluate the Application and its accompanying documents, and noted that it would address supplemental direct directives following responses from parties.¹

¹ Decision No. C24-0872-I at ¶ 18 issued in Proceeding No. 24A-0442E (Nov. 22, 2024).

3. Under Commission Rule 1303, 4 *Code of Colorado Regulations* (“CCR”) 723-1, and as required by § 40-6-109.5, C.R.S., if an application fails to identify and address all applicable requirements of Commission rules and decisions, the Commission may deem the application incomplete.

4. Through this Decision, the Commission deems the Application complete for purposes of § 40-6-109.5, C.R.S. The Application shall be allowed to deem complete November 30, 2024, the date the filing would automatically be deemed complete under statute and Commission rule.

5. However, although the Commission affirmatively deems the application complete for purposes of § 40-6-109.5, C.R.S., we express frustration with the Company for neglecting to clearly address several prior Commission directives in its filings. Nevertheless, we find that these concerns can be addressed through future direction in supplemental direct and through the course of the Proceeding, as needed.

6. Throughout Public Service’s 2021 Electric Resource Plan/Clean Energy Plan (“ERP/CEP”) Proceeding, the Commission established several requirements and directives for the Company to address in its Just Transition Solicitation (“JTS”) Application. Many of these requirements were intended to address perceived shortcomings from the 2021 ERP/CEP.

7. For example, in Decision No. C24-0052 issued in Proceeding No 21A-0141E (the “Phase II Decision”), the Commission directed the Company to confer with stakeholders to reach a consensus approach to discounting the social cost of emissions for the JTS.² The Application is not forthcoming on whether a consensus approach to discounting the social

² Decision No. C24-0052 at ¶ 302 issued in Proceeding No 21A-0141E (Jan. 23, 2024) (“Accordingly, we ... direct the Company to confer with stakeholders to reach a consensus approach to discounting the social cost of emissions for the 2024 JTS. This conferral should include the impacts of SB 23-291 regarding the appropriate discount rate to use for fuel costs”).

costs of emission was developed through stakeholder conferral prior to filing the Application. Rather, the Company states in Volume 2 that it again uses the Company's weighted average cost of capital ("WACC") to discount all costs (with the exception of carbon-based fuel).³

8. Additionally, in our decision addressing the first round of applications for rehearing, reargument, or reconsideration ("RRR") of the Phase II Decision, the Commission agreed with Western Resource Advocates' request that the Company address concerns regarding the lack of notice bidders had about the strategic locational value of certain gas resources. The Commission ordered the Company to address in its JTS Application how it intends to resolve modeling issues such as the reliability rubric and the transparency regarding the strategic locational value of certain gas resources.⁴ While this is another issue not clearly flagged by the Company in its initial filings, the Commission has begun discussing that this area of concern might be best elaborated on in supplemental direct.

9. Likewise, in its Phase II decision on RRR, the Commission found merit in an argument put forth by the Conservation Coalition that the Company be prohibited from using any reliability metrics or methodologies in Phase II that have not been previously approved by the Commission. However, the Commission determined that such a directive would be more appropriately addressed in the Phase I decision of the JTS. Accordingly, the Commission directed the Company to explain in the JTS Application its position on the Conservation Coalition's

³ Hr. Ex. 101 (Attachment JWI-2, Volume 2), p. 150.

⁴ Decision No. C24-0161 at ¶ 176 issued in Proceeding No. 21A-0141E (Mar. 13, 2024) ("[T]he Commission agrees with [Western Resource Advocates'] related request and clarify that the Company must address in its Phase I filing in the 2024 JTS how it intends to resolve modeling issues such as the reliability rubric and the transparency regarding the strategic locational value of certain gas resources").

request.⁵ Despite this straightforward directive, the Company has not clearly identified whether this directive is addressed in its Application. However, Conservation Coalition is included in this Proceeding as a party. Supplemental direct and further filings and process will allow party advocacy on this and other related points. In the interests of balancing moving forward and our concerns, we do not find these examples create fatal flaws such that the filings should be deemed incomplete.⁶

10. The examples identified above are concerning, but are well-suited to be addressed through the course of the Proceeding, including by the Company on supplemental direct and by the substantial number of parties that will file testimony. We therefore decline to deem the application incomplete or to delay this consideration further.

11. We exercise our discretion under Rule 1303 in allowing the Proceeding to move forward. That the Company did not clearly identify each directive in its Application to address the Commission's prior decisions is a concern. However, we are sufficiently satisfied that the identified concerns and examples are those that parties in this Proceeding can advocate for through the course of this Proceeding, including if further information is needed with regard to any clarifications regarding directives from the most recent ERP. We will address supplemental direct requirements explicitly through separate order after considering party responses. Certain of the objectives and concerns raised in prior orders may be emphasized further in those upcoming requirements and are matters that parties may address through appropriate filings and testimony as well.

⁵ Decision No. C24-0161 at ¶¶ 181-82 ("Regarding Conservation Coalition's related request to prohibit the use of reliability metrics or methodologies in Phase II of the 2024 JTS that were not approved in Phase I ... we simply direct the Company to explain its position on Conservation Coalition's request in its Phase I filing in the 2024 JTS").

⁶ The Company is on notice that in future filings, to avoid concerns with deeming an application complete and to assist the Commission, its staff, and parties, it should clearly identify where in its initial direct testimony matters directed by prior decision are addressed.

12. The Application shall be deemed complete on November 30, 2024, the date the filing would be automatically deemed complete under statute and rule. Further information to clarify the record, Company positions, and party advocacy, will be necessarily provided through subsequent filings and testimony in the course of this Proceeding.

II. ORDER

A. It Is Ordered That:

1. The Verified Application of Public Service Company of Colorado for Approval of its 2024 Just Transition Solicitation (“Application”), filed by Public Service Company of Colorado (“Public Service”) on October 15, 2024, shall be deemed complete for purposes of § 40-6-109.5, C.R.S. on November 30, 2024, consistent with the discussion above.

2. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
November 27, 2024.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Rebecca E. White".

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners