

Decision No. R25-0411-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24M-0493G

IN THE MATTER OF THE COMMISSION'S INVESTIGATION INTO THE COSTS OF PUBLIC SERVICE COMPANY OF COLORADO'S GAS UTILITY INFRASTRUCTURE PURSUANT TO SENATE BILL 23-291.

**INTERIM DECISION SCHEDULING TECHNICAL
CONFERENCE AND PROVIDING ADDITIONAL
GUIDANCE**

Issued Date: May 29, 2025

I. STATEMENT

1. The Commission opened this Proceeding on November 14, 2024, through Decision No. C24-0824 to identify and investigate the cost causation of residential development and other development of Public Service Company of Colorado's ("Public Service" or the "Company") gas utility operations pursuant to § 40-3-121, C.R.S. The Decision also designated Commissioner Megan M. Gilman as Hearing Commissioner pursuant to § 40-6-101(2), C.R.S.

2. By this Decision, the Hearing Commissioner schedules a technical conference on June 6, 2025, from 9:00 a.m. to 11:00 a.m.

A. Background

3. Decision No. C24-0824 opened this Proceeding pursuant to § 40-3-121, C.R.S. Section 40-3-121, C.R.S., requires the Commission to identify and study specific, new large infrastructure investments. For each investment identified, the Commission must determine the extent to which new residential development or other development by a geographic area

disproportionately necessitated the investment. The proceeding must also include a cost benefit analysis of the growth in new residential development and other development to the natural gas utility customers for whom the investments were made, as well as non-participating natural gas utility customers and income qualified customers. The Commission must also determine whether alternative infrastructure, service investments, or other utility actions could mitigate impacts on non-participating or income-qualified customers and identify the up-front and service life costs and benefits of alternatives to new large infrastructure projects.

4. Interim Decision No. R25-0138-I established the work plan of the Proceeding in an effort to increase transparency for the public, stakeholders, and the Company of the anticipated timing and general methodology of the Commission's study. The work plan includes a comment period on the work plan, plans for data compilation (addressed by this Decision), a technical workshop, publication of a report and associated comment period, and a hearing pursuant to § 40-3-121, C.R.S. Through Decision No. R25-0138-I comments were solicited from stakeholders regarding Proceeding objectives and parameters for project selection.

5. Public Service and the Colorado Office of the Utility Consumer Advocate ("UCA") filed comments on the work plan in response to Interim Recommended Decision No. R25-0138-I on March 14, 2025.

6. Interim Decision No. R25-0316-I, issued on April 23, 2025, requires Public Service to file information to be used in the Commission's cost causation investigation of residential development and other development.

7. On May 19, 2025, Public Service filed a Motion for Permanent Variances from Decision No. R2-0316-I ("Variance Motion").

B. Discussion, Findings, and Conclusions

8. In its Variance Motion, the Company requests a permanent variance from certain provisions of Decision No. R25-0316-I, including modifications of the data request directives and associated timelines pursuant to Rule 1003, 1400, 1502 of the Commission’s Rules of Practice and Procedure, 4 *Colorado Code of Regulations* (“CCR”) 723-1. Public Service argues that granting the Variance Motion is consistent with § 40-3-121, C.R.S., and will “facilitate a workable and achievable set of data requests that the Company can complete in a reasonable manner to assist the Commission’s investigation.”¹ Public Service included a redlined version of Decision No. R25-0316-I as Attachment A to its Variance Motion which outlines its proposed changes to the directives and deadlines.

9. The Company states that good cause exists to grant the Variance Motion because “strict compliance with the Data Decision would require the Company to address on a primarily manual basis thousands of discrete data points that vary in complexity,” certain data is not feasible to provide, and because of the Company’s lack of bandwidth and necessary personnel to support the data requests.² The Company estimates that its possible more than 9,000 hours of internal labor would be required to comply with Decision No. R25-0316-I, and in some instances require “special studies” not typically required by discovery rules.³

10. The changes proposed by the Company generally fall into three categories.

11. First, the Company requests changes that relate to its obligations to provide the data overall and the timelines to produce the data. The Company requests a change to paragraph 18 of Decision No. R25-0316-I that would clarify the Company’s obligation to provide data exists

¹ Variance Motion, p. 1.

² *Id.* at ¶ 7.

³ *Id.* at ¶¶ 11-12.

“to the extent the data is available” and also requests that paragraph 19 be changed to require the Company to use “commercial reasonable efforts to complete its responses.”⁴ The Company requests modification to the deadlines set forth in paragraph 19 of Decision No. R25-0316-I, including a change to rolling deadlines with a first deadline of July 18, 2025 and a second deadline of August 29, 2025.

12. Second, the Company requests changes to the total number of projects. The company proposes to limit this to a total of 15 projects across New Business and Capacity. The Company states the 15 projects would be at the discretion of the Hearing Commissioner, but that it will begin working on gathering data related to the five most expensive New Business and Capacity projects.⁵

13. Third, the Company requests modifications to the scope of data that is being requested. These changes are reflected in the redline attached to the Variance Motion but generally reflect its assertion that many categories of requested data were not tracked before the Gas Rule changes effectuated in May 2023 and therefore are unavailable. The Company also requests that the scope of alternatives analysis required in paragraphs 18(a)(xx) and 18(b)(xii) be modified to “not only make the data requests more reasonable, but [also to] promote the type of information the Commission may need to consider for impact issues that concern nonparticipants, as called for in § 40-3-121, C.R.S.”⁶

14. The Hearing Commissioner will rule on the merits of the various components of the Variance Motion by future order. The Company indicates a willingness to hold a technical conference or specific hearing on the Variance Motion.⁷ The Hearing Commissioner agrees it

⁴ *Id.* at ¶ 15.

⁵ *Id.*

⁶ *Id.* at ¶ 18.

⁷ *Id.* at ¶ 14.

would be valuable to discuss the redline requests with the Company. The Hearing Commissioner intends to focus on the technical aspects of the Variance Motion and redline requests, and not on the legal merits of the motion as would typically be explored in a motions hearing. Therefore, the Company shall make the appropriate subject matter experts available to discuss the Variance Motion at this technical conference. Thus, to facilitate the Hearing Commissioner's understanding of the need for the Variance Motion, and to better understand the scope of some of the changes requested by the Company, the Hearing Commissioner schedules a technical conference on June 6, 2025, from 9:00 a.m. to 11:00 a.m.

15. The remote technical conference will be held using the web-hosted video conferencing service Zoom. To minimize the potential that the video conference may be disrupted by non-participants, the link and meeting ID or access code will be provided to participants by email before the technical conference, and they are prohibited from distributing that information to anyone not participating in the technical conference. The public may view the technical conference through the Commission's YouTube channel, which is available at: <https://www.youtube.com/@COPublicUtilitiesCommission>.

16. While the Hearing Commissioner schedules a technical conference to better understand the limitations underpinning the Company's variance request, in light of the tight timeline to produce the requested data, the Company is to proceed at minimum in the interim with compiling all uncontested information required by Decision No. R25-0316-I. The Hearing Commissioner will rule on the merits of the Variance Motion, including the scope of projects proposed in the redline changes to paragraph 18 of Decision No. R25-0316-I, through future order. However, the Hearing Commissioner provides the following guidance to the Company on projects that will definitively be reviewed during this Proceeding, and as such, the Company should begin

work to comply with Decision No. R25-0316-I on these projects immediately. These projects include:

- a. Projects described in line numbers one (1) through seven (7) listed in Hearing Exhibit 105, Attachment ARG-4, Submitted in Proceeding No. 24AL-0049G; and
- b. Projects described in line numbers one (1) through four (4) listed in Hearing Exhibit 105, Attachment ARG-6, Submitted in Proceeding No. 24AL-0049G.

II. ORDER

A. It Is Ordered That:

1. A remote technical conference is scheduled in this Proceeding as follows:

DATE: June 6, 2025

TIME: 9:00 a.m. to 11:00 a.m.

PLACE: Join by video conference using Zoom

2. Consistent with the discussion above, at the technical conference, Public Service Company of Colorado shall be prepared to address the contents of its Motion for Permanent Variances from Decision No. R24-0316-I.

3. This Decision is effective immediately upon its Issued Date.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

MEGAN M. GILMAN

Hearing Commissioner

ATTEST: A TRUE COPY

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

Rebecca E. White,
Director