

Decision No. C13-1361

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 13R-1151E

IN THE MATTER OF THE PROPOSED AMENDMENTS PURSUANT TO HOUSE BILL
13-1292 TO THE RULES REGULATING ELECTRIC UTILITIES 4 CODE OF COLORADO
REGULATIONS 723-3.

NOTICE OF PROPOSED RULEMAKING

Mailed Date: November 12, 2013
Adopted Date: October 23, 2013

I. BY THE COMMISSION

A. Statement

1. The Colorado Public Utilities Commission (Commission) issues this Notice of Proposed Rulemaking (NOPR) to amend the rules regulating electric utilities contained in *4 Code of Colorado Regulations (CCR) 723-3*, consistent with House Bill (HB) 13-1292. HB 13-1292 was enacted by the 2013 General Assembly and signed into law by Governor Hickenlooper on May 24, 2013.

2. HB 13-1292 modifies § 40-2-129, C.R.S., by specifying that, when evaluating utility requests for a Certificate of Public Convenience and Necessity (CPCN) for the construction or expansion of generating facilities, including pollution control and fuel conversion projects of existing coal-fired plants, the Commission shall consider, on a qualitative basis, factors that affect employment and the long-term economic viability of Colorado communities.

3. The Commission previously incorporated requirements that utilities provide the Commission with such “best value employment metrics” in earlier rulemaking proceedings for Electric Resource Plans (ERP), Proceeding No. 10R-214E, and Renewable Energy Standard

Compliance (RES) Plans, Proceeding No. 10R-243E. This rulemaking proceeding is intended to incorporate similar provisions within the rules related to requests for CPCNs for electric facilities.

B. Discussion

4. Our proposed rule changes are set forth in Attachment A to this NOPR. This NOPR is issued for the purpose of advising interested persons of this proceeding and to solicit comments for the Commission's consideration.

5. Proposed Rule 3102 adds a requirement that electric utility applications for a CPCN for the construction or extension of generation facilities, pollution controls, or fuel conversion projects of existing coal-fired generation must include information regarding: (1) the availability of training programs, including training through apprenticeship programs registered with the United States Department of Labor, Office of Apprenticeship and Training; (2) the employment of Colorado workers as compared to importation of out-of-state workers; (3) long-term career opportunities; and (4) industry-standard wages, health care, and pension benefits.

6. Under current paragraph 3205(b)(II), pollution control projects are deemed to be in the normal course of business and therefore do not require applications for CPCNs. However, the new provisions in § 40-2-129, C.R.S., add requests for CPCNs for pollution control upgrades to the proceedings in which the Commission must consider, on a qualitative basis, best value employment metrics. We therefore seek comment from interested persons on whether the new provisions of § 40-2-129, C.R.S., require changes to Rule 3205(b)(II) that would remove the exemption of pollution control projects from CPCN requirements.

C. Conclusion

7. The statutory authority for the rules proposed here is found at §§ 24-4-101, *et seq.*, 40-1-101, *et seq.*, 40-2-108, 40-3-102, 40-3-103, 40-4-101, and 40-4-108, C.R.S.

8. The proposed rules in legislative (*i.e.*, ~~strikeout~~/underline) format (Attachment A) are available through the Commission's Electronic Filings (E-Filings) system at:

https://www.dora.state.co.us/pls/efi/EFI.Show_Docket?p_session_id=&p_docket_id=13R-1151E

9. This matter is referred to an Administrative Law Judge (ALJ) for the issuance of a recommended decision.

10. The ALJ will conduct a hearing on the proposed rules and related issues on January 16, 2014. Interested persons may submit written comments on the rules and present these orally at hearing, unless the ALJ deems oral presentations unnecessary.

11. The Commission encourages interested persons to submit written comments before the hearing scheduled in this matter. In the event interested persons wish to file comments before the hearing, the Commission requests that initial comments be filed no later than December 2, 2013. The Commission further requests that comments responsive to the initial comments be filed no later than December 30, 2013. The Commission prefers that comments be filed using its E-Filing System at <http://www.dora.state.co.us/pls/efi/EFI.homepage>.

II. ORDER**A. The Commission Orders That:**

1. This Notice of Proposed Rulemaking, and Attachment A attached hereto, shall be filed with the Colorado Secretary of State for publication in the November 25, 2013, edition of *The Colorado Register*.

2. This matter is referred to an Administrative Law Judge for the issuance of a recommended decision.

3. A hearing on the proposed rules and related matters shall be held as follows:

DATE January 16, 2014
TIME: 9:00 a.m. until not later than 5:00 p.m.
PLACE: Commission Hearing Room
 1560 Broadway, Suite 250
 Denver, Colorado

At the time set for hearing in this matter, interested persons may submit written comments and may present these orally unless the Commission deems oral comments unnecessary.

4. Interested persons may file written comments in this matter before hearing. The Commission requests that initial pre-filed comments be submitted no later than December 2, 2013, and that any pre-filed comments responsive to the initial comments be submitted no later than December 30, 2013. The Commission will consider all submissions, whether oral or written.

5. This Order is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
October 23, 2013.**

(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

JOSHUA B. EPEL

JAMES K. TARPEY

PAMELA J. PATTON

Commissioners