

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14AL-0258G

IN THE MATTER OF ADVICE LETTER NO. 269 FILED BY SOURCEGAS
DISTRIBUTION, LLC TO MODIFY AND REVISE TARIFF SHEETS TO BECOME
EFFECTIVE ON JUNE 1, 2014.

**DECISION SUSPENDING EFFECTIVE DATE
OF TARIFFS AND REFERRING THE MATTER
TO AN ADMINISTRATIVE LAW JUDGE**

Mailed Date: May 23, 2014

Adopted Date: May 21, 2014

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY APPEARING AT THE HEARING. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS RATE MATTER, YOU MUST REQUEST PERMISSION FROM THE COMMISSION TO BE AN INTERVENOR (EVEN IF YOU HAVE ALREADY FILED AN OBJECTION). ANYONE DESIRING TO INTERVENE MUST CAREFULLY FOLLOW THE LAW AND COMMISSION RULES FOR BECOMING AN INTERVENOR. FOR FURTHER INFORMATION ON HOW TO INTERVENE, CALL (303) 894-2070 (PUC EXTERNAL AFFAIRS OFFICE).

I. BY THE COMMISSION

A. Statement

1. On March 20, 2014, SourceGas Distribution, LLC (SourceGas) filed Advice Letter No. 269 (attached as Exhibit 1). SourceGas submitted Advice Letter No. 269 without supporting testimony and exhibits.

2. SourceGas states that the purpose of this filing is to comply with the terms of a Stipulation and Agreement (Stipulation) approved in consolidated Proceeding Nos. 13A-0046G, 13AL-0067G, and 13AL-0143G.

3. SourceGas agreed in that Stipulation that it would propose that its Gas Cost Adjustment (GCA) mechanism allocate storage cost on a zoned basis. SourceGas identified the specific customers who benefit from storage as those taking service in zones behind Rocky Mountain Natural Gas Delivery LLC (Rocky Mountain) delivery points that require capacity pathed from the Wolf Creek Storage Field receipt point.

4. SourceGas requests an effective date of June 1, 2014 for the tariff sheets submitted under Advice Letter No. 269.

5. On May 15, 2014, Staff of the Colorado Public Utilities Commission (Staff) filed a Protest Letter asking the Commission to suspend the tariff sheets and set the matter for hearing. Staff questions whether: the proposed “with storage” and “without storage” rates for the Western Slope GCA are just and reasonable; whether it is reasonable to rely on certain evidence concerning the downstream recovery of Rocky Mountain storage costs; and whether modifications are necessary to the assignment of costs.

6. Pursuant to § 40-6-111(1), C.R.S., the Commission may, in its discretion, set the tariff page(s) for hearing which will suspend the effective date for 120 days from the proposed effective date. If the Commission does not establish new rates before the expiration of the suspension period of 120 days, or, in this proceeding, September 29, 2014, the tariff page(s) filed by SourceGas may become effective.

7. Section 40-6-111(1), C.R.S., also provides that the Commission may, in its discretion, by a separate decision, suspend the effective date of the tariff page(s) for an additional 90 days. Thus, the Commission has the power and authority to suspend the effective date of the tariff page(s) for a maximum of 210 days or, in this proceeding, until December 28, 2014. If the Commission further suspends, by a separate decision the effective date of the tariff page(s)

for an additional 90 days, and if no new rates are established by the Commission before December 28, 2014, the tariff page(s) filed by SourceGas may become effective.

B. Conclusions and Findings

8. The Commission finds good cause to suspend the tariff page(s) submitted with Advice Letter No. 269 and set this matter for hearing. The concerns raised by Staff warrant further investigation.

9. We refer this matter to an Administrative Law Judge (ALJ). We further direct the ALJ to set a hearing date and establish other procedures by a separate decision.

10. A pleading to intervene may be filed by any person, firm, or corporation desiring to be a party and fully participate in this proceeding, as ordered below. The filing of any other document protesting the tariff page(s) shall not allow participation as an intervenor in this matter.

II. ORDER

A. The Commission Orders That:

1. The proposed effective date, June 1, 2014, of the tariff page(s) filed by SourceGas Distribution, LLC (SourceGas) with Advice Letter No. 269 is suspended for 120 days until September 29, 2014, or until further order of the Commission.

2. The tariff pages filed by SourceGas with Advice Letter No. 269 are set for hearing before an Administrative Law Judge (ALJ). The ALJ shall set a hearing date and establish other procedures by a separate decision.

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariff page(s), who desire to intervene and participate as a party in this proceeding shall file a motion to intervene with the Commission within 30 days after

the mailing date of this Decision, and shall serve a copy of the motion on SourceGas's attorney of record.

4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
May 21, 2014.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

GLENN A. VAAD

Commissioners

COMMISSIONER PAMELA J. PATTON
ABSENT.