

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14AL-0660E

IN THE MATTER OF ADVICE LETTER NO. 1672 - ELECTRIC OF PUBLIC SERVICE COMPANY OF COLORADO TO REVISE THE GENERAL RATE SCHEDULE ADJUSTMENT (GRSA) RIDER APPLICABLE TO ALL ELECTRIC BASE RATE SCHEDULES AND REVISE THE TRANSMISSION COST ADJUSTMENT (TCA) TO REMOVE COSTS THAT HAVE BEEN SHIFTED TO BASE RATES TO BECOME EFFECTIVE JULY 18, 2014.

**INTERIM DECISION GRANTING REQUEST FOR
ENLARGEMENT OF RESPONSE TIME, IN PART, AND
ESTABLISHING DEADLINE FOR RESPONSES**

Mailed Date: July 8, 2014

Adopted Date: July 2, 2014

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a Request for Enlargement of Response Time (Enlargement Request) filed by Public Service Company of Colorado (Public Service or Company) on June 24, 2014.

2. On June 17, 2014, Public Service filed Advice Letter No. 1672 with tariffs to increase its base rates revenues by \$157.6 million and to revise its Transmission Cost Adjustment to remove costs that would be shifted to base rates. In addition, Public Service seeks approval of a rider for recovering incremental costs of projects undertaken pursuant to the Company's emission reduction plan under the Clean Air Clean Jobs Act. Public Service further requests approval of a revenue decoupling mechanism for its residential and small commercial rate classes and approval of a performance mechanism associated with the Company's operation of

certain generating units on its system. The proposed effective date of the tariffs filed with Advice Letter No. 1672 is July 18, 2014.

3. On June 23, 2014, Public Service filed an Application for Approval of Arapahoe Decommissioning and Dismantling Plan (Application) in Proceeding No. 14A-0680E. Public Service requests final authorization to decommission and dismantle its Arapahoe Generating Station and to remediate and restore the plant site at an estimated cost of \$34.8 million.

4. In both this proceeding and Proceeding No. 14A-0680E, Public Service filed a Motion to Consolidate Proceedings.¹ Public Service explains that, as part of its proposed increase in electric rates, the Company would amortize over a four-year period the regulatory assets established for Arapahoe Units 1 through 4 and would recover the resulting annual amortization expense in early 2015. Public Service further states that there is significant overlap of information and issues in the two proceedings, such as the estimated decommissioning costs for Arapahoe Station and the Company's plan proposed in the rate case for recovering the difference between: (1) the updated estimated Arapahoe decommissioning cost; and (2) the cost of removal included in the depreciation accruals for Arapahoe Station and recovered in the Company's base rates over the life of the station and through 2014. Public Service argues that the Commission should consider the Company's comprehensive proposal for cost recovery related to its plant retirements in the context of a comprehensive rate case, rather than through a separate application that relates solely to the decommissioning of the Arapahoe Station. Public Service also argues that because of this interrelationship, the proceedings should be consolidated for hearing and decision.

¹ In Proceeding No. 14A-0680E, Public Service filed the Motion to Consolidate Proceedings with the Application on June 23, 2014. In this proceeding, Proceeding No. 14AL-0660E, Public Service filed the Motion to Consolidate Proceedings on June 24, 2014.

5. Public Service states in its Motion to Consolidate Proceedings that no party would be prejudiced by the granting of its Motion to Consolidate Proceedings because Advice Letter No. 1672 and the Application were filed within four business days of each other and, consideration of these issues in one proceeding would save time and resources.

6. By operation of Rule 1400(b) of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1, response time to a motion is 14 days after service of the motion. Thus, under Rule 1400(b), the deadline for responses to Public Service's Motion to Consolidate Proceedings is July 7, 2014 in Proceeding No. 14A-0680E and July 8, 2014 in this proceeding. However, the Commission has not yet initiated an adjudicated proceeding by suspending the tariffs filed with Advice Letter No. 1672 and filings for intervention in Proceeding No. 14A-0680E are generally due no later than July 25, 2014. Public Service therefore suggests in its Enlargement Request that, to provide an opportunity for parties in both proceedings to file responses to the Motion to Consolidate Proceedings, the Commission should establish a deadline for such responses seven days after the later deadline to file permissive interventions in either of the proceedings.

7. We agree with Public Service that an extension of the normal 14-day response time to the Motion to Consolidate Proceedings is necessary in this situation. However, we prefer to establish a specific deadline for such responses rather than to base the deadline on when permissive interventions are due in the two proceedings. In the event that the Commission sets the tariffs filed with Advice Letter No. 1672 for hearing and suspends the effective date of those tariffs, responses to the Motion to Consolidate Proceedings shall be filed no later than August 11, 2014.

II. ORDER**A. It Is Ordered That:**

1. The Request for Enlargement of Response Time filed by Public Service Company of Colorado (Public Service) on June 24, 2014 is granted, in part, consistent with the discussion above.

2. The deadline for responses to the Motion to Consolidate Proceedings filed by Public Service on June 24, 2014 is extended beyond the 14 days set forth in Rule 1400(b) of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1. Responses to the Motion to Consolidate Proceeding shall be file no later than August 11, 2014.

3. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
July 2, 2014.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners