

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14A-1150E

IN THE MATTER OF THE APPLICATION OF BLACK HILLS/COLORADO ELECTRIC UTILITY COMPANY, LP, FOR COMMISSION APPROVAL OF AN ALTERNATIVE FORM OF NOTICE TO AMEND ITS AVOIDED COST RATE FOR CO-GENERATION AND SMALL POWER PRODUCTION FACILITIES IN THE RULES SECTION OF THE COLORADO P.U.C. NO. 8 – ELECTRIC TARIFF AND WAIVER OF RESPONSE TIME.

**DECISION GRANTING APPLICATION
FOR ALTERNATIVE FORM OF
NOTICE AND WAIVING RESPONSE TIME**

Mailed Date: December 12, 2014
Adopted Date: December 10, 2014

I. BY THE COMMISSION

A. Statement, Findings, and Conclusions

1. On December 1, 2014, Black Hills/Colorado Electric Utility Company (Black Hills or the Company) filed an application requesting approval of an alternative form of notice and for waiver of response time (Application) to amend its avoided cost rate for Co-generation and Small Power Production Facilities in the Rules section of the Colorado P.U.C. No. 8 – Electric Tariff.

2. Black Hills states that it filed Advice Letter No. 690 – Electric to amend its avoided cost rate for Co-generation and Small Power Production Facilities in the Rules section of the Colorado P.U.C. No. 8 – Electric Tariff.

3. According to Black Hills, with this proposed tariff change, the Company has increased its avoided cost rate from \$.03466 per kWh to \$.03919 per kWh. The higher avoided cost rate is the result of calculating the rate with more updated data compared to the previously

filed rate. Since net metering customers are paid this avoided cost rate for any excess generation produced from their systems, the proposed change will increase the payment that they receive from Black Hills.

4. In its Application, Black Hills seeks authorization to use the following alternative form of notice:

- (a) filing of Advice Letter No. 690 – Electric with the Commission and keeping the filing open for public inspection;
- (b) posting on the website for Black Hills Energy: (1) a Customer Notice attached to the Application as Exhibit 1, and (2) Advice Letter No. 690 – Electric and its accompanying tariff sheets, for 30 days beginning with the date of filing Advice Letter No. 690 – Electric;
- (c) printing a message on each customer’s bill providing the website URL for the Customer Notice and Advice Letter No. 690 – Electric and its accompanying tariff sheet, and a toll-free phone number for assistance, beginning with the first bill cycle after filing Advice Letter No. 690 – Electric; and
- (d) publishing a notice of Advice Letter No. 690 – Electric (attached to the Application as Exhibit 1), in three newspapers of general circulation for the service territory: *The Pueblo Chieftain* (on two consecutive Sundays, December 7 and December 14, 2014); the *Cañon City Daily Record* (on two consecutive Fridays, December 5 and December 12, 2014); and the *Rocky Ford Daily Gazette* (on two consecutive Thursdays, December 4 and December 11, 2014).

5. In support of its proposed alternative form of notice, Black Hills contends that these methods of providing notice are expeditious and economic for the Company’s customers because: (a) a bill message, unlike a bill insert, provides more visibility to the customer because it is presented on the first page of the bill, where the customer looks for the amount due and the payment deadline; (b) the toll-free phone number provided in the bill message will give customers a second option to learn more about the amended tariffs if they cannot access the internet for the Company’s website; (c) the website posting will provide the required information regarding the amended tariffs to the general public; and (d) the newspaper publications will

provide accessible and timely notice across the Company's entire service territory. The Application contains all of the information required by Commission rules and is therefore deemed complete.

7. The Commission finds good cause to grant the Application and waive response time. We find that the alternative form of notice proposed by Black Hills is reasonable with respect to the stakeholders and the general public.

II. ORDER

A. The Commission Orders That:

1. The application filed December 1, 2014, by Black Hills/Colorado Electric Utility Company requesting approval of an alternative form of notice and for waiver of response time to amend its avoided cost rate for Co-generation and Small Power Production Facilities in the Rules section of the Colorado P.U.C. No. 8 – Electric Tariff, is deemed complete and is granted.

2. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
December 10, 2014.**

(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

PAMELA J. PATTON

GLENN A. VAAD

Commissioners