

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO**

PROCEEDING NO. 19A-0352G

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IN THE MATTER OF THE APPLICATION OF COLORADO NATURAL GAS, INC. FOR  
APPROVAL OF A QUALITY OF SERVICE PLAN.

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**INTERIM DECISION OF  
ADMINISTRATIVE LAW JUDGE  
ROBERT I. GARVEY  
SETTING PREHEARING CONFERENCE**

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Mailed Date: September 6, 2019

**I. STATEMENT**

1. As part of the Stipulation and Settlement Agreement (Settlement) in Proceeding No. 18AL-0305G, Colorado Natural Gas, Inc. (CNG or Company), the Office of Consumer Counsel (OCC), and Trial Staff of the Commission (Staff) agreed to collaborate on a Quality of Service Plan (QSP), which CNG was to file within six months of the effective date of the final decision in Proceeding No. 18AL-0305G. The Settlement was approved through Decision No. R18-0972, issued November 1, 2018. After a brief extension of time was granted for CNG to make the agreed-to QSP filing, CNG initiated this proceeding by filing its QSP on June 20, 2019. Through its Application, CNG proposes “to capture and monitor data”<sup>1</sup> in key areas. CNG notes that this is its “first QSP” and proposes a three-year period of data collection only, with “no associated goals, and no penalties or incentives.”<sup>2</sup>

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<sup>1</sup> Application at p. 1.

<sup>2</sup> *Id.* at p. 2.

2. The OCC and Staff, each of which was a party to the Settlement, timely filed notices of interventions as of right and each requests a hearing on the Application. No other potential parties request intervention. Therefore, the Parties in this proceeding are CNG, Staff, and the OCC.

3. In its notice of intervention the OCC includes that, among its identified issues, it intends to consider whether a penalty is appropriate for measures in which CNG has available data during the proposed three-year period. For its part, Staff identifies CNG's representation that this QSP is for reporting purposes only as a potential issue.

4. In referring the proceeding to an Administrative Law Judge (ALJ) the Commission required CNG to file additional supporting testimony to address enforcement mechanism(s) that could apply to its QSP. The Commission stated that the supplemental direct testimony shall include, at a minimum, potential negative incentives<sup>3</sup> that the Company proposes to ensure quality of service is maintained by the Company over the term of the QSP.

5. The Commission required each party to support its positions in this proceeding fully through testimony and evidence. Proposals regarding incentives, at a minimum, must demonstrate that the magnitude and proposed implementation of the incentive is at an adequate level to ensure CNG's quality of service is maintained. If negative incentives would be incurred, the party proposing the incentive must demonstrate that the negative incentive is reasonable for the Company from a financial perspective.

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<sup>3</sup> Enforcement mechanisms and negative incentives for QSP filings have traditionally been included as customer refund amounts or billing credits. The Commission required CNG to propose a negative incentive at a minimum in Decision No. C19-0706-I issued August 23, 2019.

6. It is necessary to schedule a hearing, to establish a procedural schedule, and to discuss discovery and other matters. A prehearing conference will be held on October 8, 2019.

7. The undersigned ALJ expects the Parties to come to the prehearing conference with proposed dates for disclosures, including hearing dates, for the procedural schedule. The Parties must consult prior to the prehearing conference with respect to the listed matters and are encouraged to present, if possible, a procedural schedule and hearing dates that are acceptable to all Parties.

8. If the Parties reach agreement on a procedural schedule, they may file the proposed procedural schedule and a motion to vacate the prehearing conference.

## **II. ORDER**

### **A. It Is Ordered That:**

1. A prehearing conference in this matter is scheduled for the following date, at the following time, and in the following location:

DATE: October 8, 2019  
TIME: 9:00 a.m.  
PLACE: Commission Hearing Room  
1560 Broadway, Suite 250  
Denver, Colorado

2. This Decision is effective immediately.

(S E A L)



THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

ROBERT I. GARVEY

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Administrative Law Judge

ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,  
Director