

Decision No. R19-0813-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 17AL-0736G

IN THE MATTER OF ADVICE LETTER NO. 108 FILED BY ROCKY MOUNTAIN
NATURAL GAS LLC DBA BLACK HILLS ENERGY TO AMEND THE SYSTEM
SAFETY AND INTEGRITY RIDER TO BECOME EFFECTIVE JANUARY 1, 2018.

**INTERIM DECISION OF
ADMINISTRATIVE LAW JUDGE
STEVEN H. DENMAN
VACATING PREHEARING CONFERENCE**

Mailed Date: October 2, 2019

I. STATEMENT

1. On November 1, 2017, Rocky Mountain Natural Gas LLC (Rocky Mountain or the Company) filed Advice Letter No. 108 and accompanying tariff sheets with the Colorado Public Utilities Commission, which was docketed as Proceeding No. 17AL-0736G. The principal purpose of the filing was to increase Rocky Mountain's System Safety and Integrity Rider (SSIR), Colo. PUC No. 4 Tariff, Sheet No. 146, Section 24, from \$2.1692 to \$2.3092 per dekatherm of Maximum Daily Transportation Quantity per monthly billing period. The proposed effective date of the increase was January 1, 2018.¹ At the Weekly Meeting on December 20, 2017, the Commission allowed the amended SSIR tariff and new rates to become effective by operation of law on January 1, 2018, as proposed.

¹ Advice Letter No. 108, dated November 1, 2017, at pages 1 and 2. The SSIR was approved by the Commission in Decision No. R14-0114 (mailed on January 30, 2014) in Proceeding No. 13A-0046G *et al.* The SSIR tariff was modified pursuant to a Stipulation and Settlement Agreement approved by Decision No. R14-1236 (mailed October 10, 2014) in Proceeding No. 14AL-0285G. The SSIR is designed to collect Eligible System Safety and Integrity Costs as defined in Section 24.3(b) on Rocky Mountain's Tariff Sheet No. 147.

2. On April 1, 2019, Rocky Mountain filed, in this proceeding, its 2018 SSIR Annual Report, along with nine Attachments (three of which were filed under seal as confidential). Rocky Mountain determined the SSIR True-up amount, pursuant to the SSIR tariff, and stated that the final true-up amount would be included in the upcoming November 2019 SSIR advice letter filing.²

3. On June 18, 2019, Staff of the Public Utilities Commission (Staff) filed a Notice of Intervention as of Right, Entry of Appearance, Notice Pursuant to Rule 1007(a) and Rule 1401, and Request for Hearing (Staff's Intervention). Staff requested a hearing, in which it would raise and address three specific issues.³

4. Both Rocky Mountain and Staff are represented by counsel, and they are the only Parties to this proceeding.

5. On July 17, 2019, by minute entry, the Commission decided to set this matter for hearing and referred this proceeding to an Administrative Law Judge (ALJ) for disposition.

6. The procedural history of the above-captioned proceeding is set forth in Decisions previously issued in this Proceeding and is repeated here as necessary to put this Decision into context.

7. As ordered by Decision No. R19-0737-I (mailed on September 6, 2019), counsel for Rocky Mountain and Staff filed a Joint Status Report on September 13, 2019, detailing the status of their negotiations concerning the issues raised in Staff's Intervention filed on June 18, 2019 and addressing other procedural matters.

² See SSIR 2018 Annual Report, dated April 1, 2019, at pages 10 and 11.

³ Staff's Intervention at pages 1 and 2.

8. In the Joint Status Report, the Parties requested until September 27, 2019 in order to determine whether this proceeding will continue as an active, contested docket and that a prehearing conference be scheduled for October 4, 2019.

9. In accordance with Rule 1409(a) of the Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (CCR) 723-1, the undersigned ALJ scheduled a prehearing conference for October 4, 2019 at 10:00 a.m. See Decision No. R19-0758-I (mailed on September 16, 2019).

10. Decision No. R19-0758-I asked Rocky Mountain and Staff to determine, by October 2, 2019, whether this proceeding will continue as an active contested docket. The ALJ requested counsel for the Parties to report their conclusions at the prehearing conference. If this proceeding would continue to be a contested matter, the ALJ requested counsel to report a proposed procedural schedule and hearing dates.

11. On October 1, 2019, Rocky Mountain filed a Notice of Filings Revised and Supplemental Attachments (Notice of Filing), including supplemental information and a revised revenue requirement in the Company's 2018 SSIR Annual Report. Filed along with the Notice of Filing were a Revised Attachment 3, Supplemental Attachment 10 (Public and Confidential versions), and Supplemental Attachment 11. Rocky Mountain states that, after several discussions with Staff, it had agreed to file supplemental and revised attachments to resolve Staff's concerns with the 2018 SSIR Annual Report.⁴

12. Also on October 1, 2019, Staff filed a Notice of Withdrawal of Intervention and of Appearance and Notice of No Further Participation in Proceeding (Notice of Withdrawal). By

⁴ Notice of Filing at page 1.

this pleading Staff withdraws its intervention and states it is no longer participating in this case. In its Notice of Withdrawal, Staff recounts its discussions with Rocky Mountain, the Company's commitment to file the supplemental materials and to amend its SSIR request, and Staff's conclusion as a result to withdraw its opposition and Intervention.⁵

13. The ALJ acknowledges Staff's withdrawal of its Intervention.

14. Rule 1403(c) of the Rules of Practice and Procedure, 4 CCR 723-1, provides that: "If all parties withdraw their interventions before completion of a hearing, the matter may be determined as an uncontested proceeding."

15. No hearing has yet been scheduled in this Proceeding, and Staff's withdrawal of its Intervention means that this Proceeding is uncontested. Pursuant to Rule 1403, this Proceeding may be decided without an evidentiary hearing.

16. Given that this Proceeding is now uncontested, the scheduling of the prehearing conference is moot. The prehearing conference will be vacated.

17. Rocky Mountain will be ordered to include in the upcoming November 2019 SSIR advice letter filing, the concessions and agreements Rocky Mountain reached in its discussions with Staff⁶ related to the 2018 SSIR Annual Report, as amended by the Notice of Filings and the Revised and Supplemental Attachments, including the supplemental information and revised revenue requirement.

⁵ Notice of Withdrawal at pages 3 and 4.

⁶ Staff's Notice of Withdrawal, at page 3, details those concessions and agreements.

II. ORDER

A. It Is Ordered That:

1. The prehearing conference in this proceeding, scheduled for October 4, 2019 at 10:00 a.m. is vacated.

2. Rocky Mountain Natural Gas LLC (Rocky Mountain) shall include in the upcoming November 2019 System Safety and Integrity Rider (SSIR) advice letter filing the concessions and agreements Rocky Mountain reached in its discussions with Staff of the Public Utilities Commission, related to the 2018 SSIR Annual Report as amended by the Notice of Filing Revised and Supplemental Attachments, filed on October 1, 2019, as well as the revised and supplemental attachments, the supplemental information, and the revised revenue requirement.

3. This Decision is effective immediately.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

STEVEN H. DENMAN

Administrative Law Judge

ATTEST: A TRUE COPY

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

Doug Dean,
Director