

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

* * *

INVESTIGATION INTO THE DEVELOPMENT)
OF RULES CONCERNING INTEGRATED) DOCKET NO. 91R-642EG
RESOURCE PLANNING.)

**COMMISSION ORDER: (1) MODIFYING DECISION NO. C91-1589 TO
LENGTHEN CONSOLIDATED EVIDENTIARY HEARINGS TO THREE
WEEKS IN JUNE 1992 AND APPROVING SCHEDULE OF WITNESSES;
(2) PROVIDING SECOND ROUND OF RULEMAKING FOR GAS
INTEGRATED RESOURCE PLANNING RULEMAKING;
(3) GRANTING VARIOUS EXTENSIONS OF TIME.**

Mailing date: May 29, 1992

Adopted date: May 27, 1992

I. Background.

This matter, Docket No. 91R-642EG, the Integrated Resource Planning rulemaking docket, came on for consideration before the Colorado Public Utilities Commission ("commission") at a prehearing conference on Wednesday May 20, 1992 at 9:30 a.m. The prehearing conference in this integrated resource planning ("IRP") rulemaking docket was consolidated with Docket No. 91A-480EG, the decoupling and incentives application docket. Consolidated evidentiary hearings on both cases are scheduled to begin on June 2, 1992. See Decision No. C91-1588 (December 16, 1991) (establishing procedural schedule).

This case is one of the four cases resulting from "Revised Settlement Agreement II," the settlement by five parties¹ which resolved the 1991 Public Service

¹. The five parties to Revised Settlement Agreement II were: (1) Public Service Company of Colorado; (2) the Colorado Office of Consumer Counsel; (3) the Colorado Office of

Company of Colorado Rate Case, approved by the commission in Decision No. C91-918 (July 23, 1991). The four cases are: (1) the "decoupling and incentives" docket, Docket No. 91A-480EG; (2) the "collaborative process" docket, Docket No. 91A-481EG; (3) this docket, the integrated resource planning rulemaking docket, Docket No. 91R-642EG; and (4) the low-income energy efficiency docket, Docket No. 91A-783EG.

The following parties entered appearances at the May 20, 1992 Prehearing Conference: Public Service Company of Colorado, the Colorado Office of Consumer Counsel ("OCC"), Land and Water Fund of the Rockies, Colorado Office of Energy Conservation, Staff of the Colorado Public Utilities Commission, Multiple Intervenors, Colorado Business Alliance Against Unfair Utilities Practices, CF&I Steel Corporation, City and County of Denver, Climax Molybdenum Company, Colorado Association of Municipal Utilities, Colorado Independent Energy Association, Colorado Interstate Gas Company, Colorado Rural Electric Association, Colorado Solar Energy Industries Association, Independent Petroleum Association of the Mountain States, Peoples Natural Gas Company, Colorado Oil and Gas Association, Tri-State Generation and Transmission ("Tri-State"), Western Fuels Association, and WestPlains Energy ("WestPlains").

II. Hearing extended to three weeks in June 1992.

The Staff of the Commission -- on behalf of many of the parties including Public Service Company of Colorado, the OCC, Tri-State, the Land and Water Fund of the Rockies, the Multiple Intervenor Group, and WestPlains -- hand-delivered a letter to the commission requesting an extra week of hearings on the consolidated IRP and Decoupling dockets. The letter stated that these parties met on May 7, 1992, in advance of the prehearing conference, in order to present the commission with a proposed schedule for

Energy Conservation; (4) the Land and Water Fund of the Rockies; and, (5) the Staff of the Colorado Public Utilities Commission.

the nine hearing days, but were unable to schedule the witnesses within the nine days, due to the number of witnesses (56) and the scope and complexity of the issues in these dockets. The Staff, on behalf of itself and the above-mentioned parties, asked the commission to add 5 additional hearing days, which would extend the hearings from June 2, 1992 through June 12, 1992; to June 2, 1992 through June 19, 1992.² The commission will construe the letter as a motion to modify the procedural schedule in Decision No. C91-1589 (released December 16, 1991).

As a first matter, the commission notes its approval at the time and effort devoted by the parties in organizing these important cases. In particular, the commission is impressed by the excellent quality of the pretrial disclosure statements submitted by the parties. The commission will grant the motion to modify Decision No. C91-1589, even though the commission believes the parties have scheduled an excessive number of witnesses. The commission will therefore strictly control cross-examination of witnesses by other parties³ and will take other measures to assure a fair and efficient hearing. We will cancel our regular open meeting on Wednesday June 17, 1992, and conduct three weeks of hearings on these cases, as requested by most of the parties in these proceedings.

². The Colorado Solar Energy Industries Association opposed lengthening the hearings, stating that all matters could be heard in two weeks. Further, it argued that another trial week would impose an unreasonable increased expense to intervenors with limited resources. The Solar Energy Association suggested that the commission hear panels of experts, in order to expedite matters, and to encourage interchange among the experts.

³. We reject the contentions of various parties that the commission lacks the power to control the evidence it will hear, the cross-examination of witnesses, or the length of time a witness may testify (if at all) on "due process" grounds. The parties have had ample time to pre-file written testimony, and their rights will not be violated by reasonable limits on repetitive, irrelevant, or cumulative presentations. Indeed, if the commission did not control these proceedings, the due process rights of many intervenors -- i.e., those with limited funds -- would be adversely influenced by marathon proceedings. The commission will take all reasonable steps to assure a fair, and efficient, presentation of the evidence in these extremely important cases. It will control the proceedings.

The schedule of witnesses and hearing days, prepared by the attorney for the Staff, is attached as the Appendix to this Decision.

As noted in the hearing schedule, the commission will be required to attend to other business (public hearings out of Denver, a rulemaking, emergency special open meetings) on some of the days. Normally, however, each hearing day shall commence at 9:00 a.m., and conclude between 4:30 and 5:00 p.m. --later if necessary, and on Saturdays and Sundays if necessary. The parties shall meet with the court reporter each morning before the hearings at 8:30 a.m. (earlier if necessary) to mark all exhibits. The commission will not allow the use of hearing time to mark exhibits. The parties are reminded to leave all official exhibits with the court reporter when the exhibits are marked. Hopefully, the parties will confer among themselves to arrange for a daily copy of the transcript, and provide one copy to the commissioners.

Due to the need to expedite the hearing, the commission will take the following steps: summaries of testimony (if any) will be limited to five minutes; no friendly cross-examination will be permitted; the hearing will commence precisely on time; breaks will be strictly limited; and the hearing will resume promptly after the break.

III. Two rounds of hearing on gas and electric integrated resource planning rules.

A. Gas Integrated Resource Planning Rulemaking, Docket No. 92R-287G.

On April 29, 1992, the commission issued Decision No. C92-550 in this docket which created a gas portion of the Integrated Resource Planning Rules -- at the request of the parties, and despite our concerns that delay could result from a separate gas integrated resource planning rulemaking. In Decision No. C92-550, the commission granted the bifurcation suggested by certain parties, shortened response time, and established a

procedural schedule. The order stated that all interested parties may file a response to the gas Integrated Resource Planning procedural schedule by May 15, 1992.

On May 15, 1992, the Land and Water Fund of the Rockies filed a response, suggesting that the commission revise its procedural schedule for gas Integrated Resource Planning rulemaking to include steps for commission proposal of a rule, based on the evidentiary hearings held in September, 1992, and comments on that proposal -- in other words, two rounds of formal rulemaking. The Land and Water Fund stated their concerns at the prehearing conference. Several other parties concurred in their proposal; including Public Service Company of Colorado, the Office of Energy Conservation, the Staff of the Commission, the Colorado Office of Consumer Counsel, and WestPlains. In Revised Settlement Agreement II, the parties presented an ambitious schedule to the commission, and insisted that all four dockets be completed in advance of Public Service Company of Colorado's next rate case, which it pledged to file on November 2, 1992.⁴ At the prehearing conference on May 20, 1992, however, Public Service Company of Colorado stated that it did not need final gas or electric integrated resource planning rules before filing a rate case. No party objected to delaying commission adoption of final integrated resource planning rules past the November 2, 1992 date. Therefore, at the request of the parties, the commission will delay the proceedings, and allow two rounds of rulemaking in both the electric and gas integrated resource planning rulemakings.

We also will revise the bifurcation by establishing a new and separate gas Integrated Resource Planning rulemaking proceeding, to be captioned as "Investigation into the Development of Gas Rules Concerning Integrated Resource Planning." The gas docket will be structured into two rounds, similar to the process undertaken in this

⁴ Given these development, Public Service Company of Colorado may wish to reconsider its November 2, 1992 date for filing the next Rate Case.

(electric) docket, as discussed. The Gas IRP rulemaking will receive a new docket number, Docket No. 92R-287G.

The first round in the Gas IRP rulemaking consists of the steps that follow. The commission will file a Notice of Proposed Rulemaking with the Colorado Secretary of State's office by June 30, 1992. Evidentiary hearings will be held, as previously scheduled and noticed on September 21, 1992; September 22, 1992; and September 24, 1992. We urge the parties to submit proposed rules at the close of the hearing, given the tight time frame, and burden on the commission imposed by the parties by these proceedings and schedules. The commission will file proposed Gas Integrated Resource Planning rules with the Colorado Secretary of State's Office by September 30, 1992. The proposed rule (or perhaps alternative versions of a Gas IRP rule) will be published in the Colorado Register on or about October 10, 1992.

The second round consists of the steps that follow. Evidentiary hearings will be held on November 6, 1992 and November 9, 1992. The commission will file final gas Integrated Resource Planning rules with the Secretary of State by November 30, 1992. The final rule will be published in the Colorado Register on or about December 10, 1992, and will become effective on December 30, 1992.

B. Electric Integrated Resource Planning, Docket No. 91R-642E.

With respect to this docket (No. 91R-642EG), we believe that it will clarify the process if we rename this docket as "Investigation into the Development of Electric Rules Concerning Integrated Resource Planning," and re-number it as 91R-642E, to reflect the separation of the integrated resource planning rulemaking dockets into electric and gas integrated resource planning dockets. We will informally refer to this docket as the

"Electric IRP rulemaking docket." To review the procedures in this docket, we offer the following overview.

The first round consists of the steps that follow. The commission has filed a Notice of Proposed Rulemaking with the Colorado Secretary of State's office on January 31, 1992. Evidentiary hearings will be held, as previously scheduled and noticed in June, 1992. A special working session to deliberate on the matter has been tentatively scheduled for July 6, 1992 at 9:00 a.m. A decision will be issued on or about August 14, 1992. The commission will file proposed electric Integrated Resource Planning rules with the Colorado Secretary of State's office by August 28, 1992. The proposed rule will be published in the Colorado Register on or about September 10, 1992.

The second round consists of the steps that follow. Evidentiary hearings will be held on October 30, 1992 and November 2, 1992 at 9:00 a.m. A special working session to deliberate on the matter has been tentatively scheduled for November 10, 1992 at 9:00 a.m. The commission will file final electric Integrated Resource Planning rules with the Colorado Secretary of State's office by November 30, 1992. The final Electric IRP rule will be published in the Colorado Register on or about December 10, 1992, and will become effective on December 30, 1992.

IV. Motions for extensions of time and other procedural matters.

At the prehearing conference on May 20, 1992, and at the commission's regular open meeting on May 27, 1992, the commission considered various late filings, and decided to approve them all. The commission, however, denied WestPlains motion to delay the Gas IRP hearings, because the commission unfortunately is unable to adjust its schedule at the request of one party, given its current schedule of the remainder of this year. Finally, the commission will not modify Decision No. C91-1589 to allow statements of position to be filed later than originally scheduled. All statements of position shall be

filed, separately in the Electric IRP rulemaking, Docket No. 91R-642E and the Decoupling and Incentives application, Docket No. 91A-480EG, on or before June 29, 1992. See Decision No. C91-1589 at 19, ¶ 20 (December 16, 1991).

THEREFORE THE COMMISSION ORDERS THAT:

1. The commission will hold a consolidated evidentiary hearing in both dockets, this docket, the Decoupling-Incentives Docket, Docket No. 91A-480EG, and the Electric Integrated Resource Planning Docket, Docket No. 91R-642E, on weekdays from Tuesday June 2, 1992 through Friday June 19, 1992 at 9:00 a.m. (unless otherwise ordered) at the Commission's Hearing Room "A," 1580 Logan Street, Office Level 2, Denver, Colorado 80203. To this extent, Decision No. C91-1589 is modified, in order to increase the evidentiary hearing to three weeks.

2. The order of witnesses by day of hearing shall conform with the schedule in the attached Appendix. All exhibits shall be pre-marked each morning in advance of the hearing, if the exhibits have not been pre-marked and per-listed before the hearing, as requested by the commission.

3. The gas integrated resource planning rulemaking, bifurcated from the electric integrated resource planning rulemaking at the request of the parties in Decision No. C92-550, will be numbered Docket No. 92R-287G, and called "Investigation Into The Development Of Rules Concerning Gas Integrated Resource Planning." This docket, the electric integrated resource planning rulemaking, will be re-named, "Investigation Into The Development Of Rules Concerning Electric Integrated Resource Planning," and renumbered, Docket No. 91R-642E.

4. In Docket No. 91R-642E, the parties shall file statements of position on June 29, 1992. On or about August 14, 1992, the commission will issue a decision setting forth

proposed electric integrated resource planning rules. The commission will file the proposed electric integrated resource planning rules with the Colorado Secretary of State's Office by August 28, 1992 (the last business day in August 1992). The proposed electric integrated resource planning rule will be published in the Colorado Register on September 10, 1992. The commission will conduct a second round of rulemaking on the electric integrated resource planning rules, with evidentiary hearings on October 30, 1992 and November 2, 1992 at 9:00 a.m. The commission will file final electric Integrated Resource Planning rules with the Colorado Secretary of State's office by November 30, 1992. The final Electric IRP rule will be published in the Colorado Register on December 10, 1992, and will become effective on December 30, 1992.

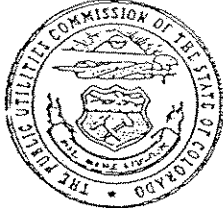
5. In Docket No. 92R-287G, the gas integrated resource planning rulemaking, the commission will file a Notice of Proposed Rulemaking with the Colorado Secretary of State's office by June 30, 1992. Evidentiary hearings will be held, as previously scheduled and noticed on September 21, 1992; September 22, 1992; and September 24, 1992. The commission will file proposed Gas Integrated Resource Planning rules with the Colorado Secretary of State's Office by September 30, 1992. The proposed rule (or perhaps alternative versions of a Gas IRP rule) will be published in the Colorado Register on about October 10, 1992. The second round of rulemaking in the gas integrated resource planning docket will have evidentiary hearings on November 6, 1992 and November 9, 1992. The commission will file final gas Integrated Resource Planning rules with the Secretary of State by November 30, 1992. The final gas integrated resource planning rule will be published in the Colorado Register on or about December 10, 1992, and will become effective on December 30, 1992.

6. All motions for extension of time filed as of May 27, 1992 are hereby granted. All motions to revise the procedural schedule are denied, except as set forth in this Decision.

7. This Order is effective on its date of mailing.

ADOPTED IN OPEN MEETING May 27, 1992.

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith
Bruce N. Smith
Executive Secretary

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ARNOLD H. COOK

GARY L. NAKARADO

CHRISTINE E. M. ALVAREZ

Commissioners

APPENDIX

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Docket No. 91A-480EG

Decision No. C92-743

Adopted May 27, 1992

Mailed May 29, 1992

SCHEDULE OF WITNESSES

Integrated resource planning docket

Decoupling/incentives docket

Based on the prehearing conference held in these dockets on May 20, 1992, this is the schedule of witnesses for the proceedings. This schedule assumes that witnesses who filed testimony in both dockets will testify in each docket separately and that witnesses who filed direct and rebuttal/response testimony in one docket will give both direct and rebuttal/response testimony when they testify. The Commission determined that it will begin each day of hearings at 9:00 a.m. and adjourn at 4:30 - 5:00 p.m., except as noted. Finally, the order of witnesses within any given day is not established.

A. TESTIMONY IN DECOUPLING INCENTIVES DOCKET (23 witnesses):

TUESDAY, June 2, and WEDNESDAY, June 3:

✓ Ranniger (direct)

✓ Gilliam (direct and rebuttal)

✓ Farina (rebuttal)

✓ Cavanagh (rebuttal) -- June 3

✓ Williams (direct and rebuttal)

✓ Finleon (direct, supplemental, supplement to
supplemental, rebuttal)

✓ Martin (direct)

THURSDAY, June 4:

✓ Johnson (direct and rebuttal)

✓ Hix (direct)

✓ Grude (rebuttal)

✓ Schroer (direct)

FRIDAY, June 5:

✓ Schmitz (direct, answer, rebuttal)

✓ Shafer (direct and rebuttal)

✓ Barhaghi (direct, answer, rebuttal)

MONDAY, June 8:

✓ Moskovitz (direct, additional, rebuttal)

✓ Stutz (direct, answer, rebuttal)

TUESDAY, June 9:

✓ Lovins (direct)

✓ Hirst (direct)

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Docket No. 91A-480EG

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✓ Robbins (direct)
Buchanan (direct)

WEDNESDAY, June 10:

Mitchell (rebuttal)
Aos (rebuttal)
Murray (direct and rebuttal)

NOTE 1: Murray may testify on comments (direct and reply) filed by the Multiple Intervenor group in Docket No. 91R-642EG.

NOTE 2: If begin testimony in Docket No. 91R-642EG on June 10, Hirst (direct and reply) and Buchanan (direct) may testify on June 10th.

THURSDAY, June 11:

B. BEGIN TESTIMONY IN IRP DOCKET (33 witnesses):

Hirst (direct and reply)
Buchanan (direct)
Michaels (direct and reply) -- available only June 2-12

FRIDAY, June 12, and MONDAY, June 15:

Heckendorn (direct)
Williams (direct and reply)
Anthes (reply) -- June 15
Finleon (reply)
Love (reply)
Pearson (reply)
Roth (reply)
Mills (direct and reply) -- available June 15, 16 (a.m.), 19

TUESDAY, June 16:

Bates (direct and reply)
Knudson (direct)
Hedberg (reply)
Johnson (reply)
Lefevre (reply)

WEDNESDAY, June 17:

Beckham (reply)
MacDonald (direct and reply)
Malm (direct)
Shapiro (direct)

Benaw

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THURSDAY, June 18 (adjourn at approximately 1:30 p.m.):

Awerbuch (direct and reply)
Welch (reply)
Firor (reply)
Foute (reply)
Gallegos (direct)
Bernow (reply)

FRIDAY, June 19 (convene at 9:30 a.m.):

Balling (direct and reply) -- only day available, 3d week
Stutz (direct and reply)
Hix (direct and reply comments of OCC)
Binz (direct and reply comments of OCC)
Trani (direct and reply comments of WestPlains)
Colorado Independent Energy
Schmitz (direct and reply)
Winger (reply)

1:30 p.m. Emergency Special Open Meeting