

(Decision No. C93-976)

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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RE: INVESTIGATION AND SUSPEN- )	
SION OF PROPOSED CHANGES IN )	DOCKET NO. 93S-001EG
TARIFFS FILED BY PUBLIC SERVICE )	
COMPANY OF COLORADO UNDER ADVICE)	ORDER GRANTING MOTION
LETTER NO. 1192-ELECTRIC, ADVICE)	TO STRIKE TESTIMONY
LETTER NO. 477-GAS, AND ADVICE )	
LETTER NO. 53-STEAM. )	

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Mailed Date: August 17, 1993  
Adopted Date: August 11, 1993  
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STATEMENT

BY THE COMMISSION:

On July 16, 1993, Public Service Company of Colorado ("Company") filed its Motion To Strike Testimony of Lloyd R. Buzbee. The Company requests an order recognizing that the issues raised in Mr. Buzbee's testimony are more appropriately considered in Phase II of the rate case, the Company then requests that the testimony be disallowed in the present phase of this proceeding. Mr. Buzbee has responded to the Company's motion. Now being fully advised in the matter, we grant the motion.

In essence, Mr. Buzbee's testimony suggests that the Company's rates be adjusted to account for the effects of altitude on the energy content of metered cubic feet of natural gas sold by the Company. Specifically, Mr. Buzbee contends that the Company bill its residential natural gas customers on a BTU basis to account for the differences in energy content of a metered cubic foot of gas at various altitudes.

We first note that the Company did not propose this rate modification in its direct case or in its Advice Letter filing. As such, Mr. Buzbee was not responding to a matter raised by the Company. We also agree with the Company that this suggestion raises issues mainly related to rate design and cost allocation, as opposed to issues concerning the Company's revenue requirements. For example, we note that Mr. Buzbee is not disputing the level of the Company's authorized revenues. Instead, Mr. Buzbee disputes the Company's method of collecting those revenues--a matter of rate design. We also believe that Mr. Buzbee's suggestion raises issues concerning cost of service for the various communities in the Company's service area. That is, Mr. Buzbee essentially suggests that the Company's rates be deaveraged to reflect the effect of altitude

(and pressure) at which gas is delivered to residential customers. However, there are other factors besides altitude which affect cost of service for various communities. We believe that, before we accept a suggestion to deaverage rates based upon one factor, other costs of service should likely be considered. At the very least, this observation indicates that Mr. Buzbee's proposal concerns cost of service, an issue to be addressed in Phase II.

We acknowledge that, as stated in his response to the motion to strike, Mr. Buzbee has already expended significant resources in participating in this case. For that reason, we now order that his direct and surrebuttal testimony<sup>1</sup> be placed into the Phase II record without further action on Mr. Buzbee's part. That is, Mr. Buzbee's testimony shall be considered as prefiled testimony in Phase II without the necessity of Mr. Buzbee refiling.

THEREFORE THE COMMISSION ORDERS THAT:

The Motion to Strike Testimony of Lloyd R. Buzbee is granted. The prefiled testimony of Mr. Buzbee shall be placed into the Phase II record in this case without further action by Mr. Buzbee.

This Order is effective on its Mailed Date.

ADOPTED IN OPEN MEETING August 11, 1993.



ATTEST: A TRUE COPY

Bruce N. Smith  
Director

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

ROBERT E. TEMMER

CHRISTINE E. M. ALVAREZ

Commissioners

COMMISSIONER VINCENT MAJKOWSKI  
ABSENT.

TM:srs

<sup>1</sup> On August 2, 1993, the Company filed a Motion to Strike Surrebuttal Testimony of Lloyd R. Buzbee. In light of our ruling on the first motion to strike (*i.e.*, that Mr. Buzbee's suggestions are more appropriately considered in Phase II), it would be premature to rule on the admissibility of the surrebuttal testimony. The Company may renew its motion at an appropriate time in Phase II.