

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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IN THE MATTER OF THE APPLICATION OF)  
WESTERN SLOPE GAS COMPANY, ONE PARK)  
CENTRAL, SUITE 650, 1515 ARAPAHOE, )  
DENVER, COLORADO, FOR AN ORDER OF )  
THE COMMISSION AUTHORIZING IT TO )  
PUT INTO EFFECT CERTAIN GAS RATE )  
ADJUSTMENT RIDERS. )

APPLICATION NO. 31010

IN THE MATTER OF THE APPLICATION OF)  
PUBLIC SERVICE COMPANY OF COLORADO, )  
550 FIFTEENTH STREET, DENVER, COLO- )  
RADO, FOR AN ORDER OF THE COMMIS- )  
SION AUTHORIZING IT TO PUT INTO )  
EFFECT CERTAIN REVISIONS IN ITS GAS )  
COST ADJUSTMENT. )

APPLICATION NO. 31011

IN THE MATTER OF THE APPLICATION OF)  
GREELEY GAS COMPANY, 1500 GRANT )  
STREET, DENVER, COLORADO, FOR AN )  
ORDER OF THE COMMISSION AUTHORIZING )  
IT TO FILE NEW RATES TO TRACK PRO- )  
POSED CHANGES IN THE COST OF GAS )  
PURCHASED FROM ITS SUPPLIERS. )

APPLICATION NO. 31486

IN THE MATTER OF THE APPLICATION OF)  
CITIZENS UTILITIES COMPANY, 502 )  
COLORADO AVENUE, P. O. BOX 531, )  
LA JUNTA, COLORADO, FOR AN ORDER OF )  
THE COMMISSION AUTHORIZING IT TO )  
PUT INTO EFFECT CERTAIN GAS RATE )  
ADJUSTMENT RIDERS INCREASING ITS )  
GAS RATES. )

APPLICATION NO. 31517

DECISION OF COMMISSION  
AFTER HEARING

- - - - -  
June 14, 1979  
- - - - -

APPEARANCES: James R. McCotter, Esq.,  
Kelly, Stansfield & O'Donnell,  
Denver, Colorado,  
for Public Service Company of Colorado  
and Western Slope Gas Company,  
Applicants;

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Holland & Hart,  
Denver, Colorado, and  
James M. Broadstone, Esq.,  
Gallagher, Boland, Meiburger and Brosnan,  
Washington, D. C.,  
for Gas Research Institute;

William M. Lange, Esq.,  
Colorado Springs, Colorado,  
for Colorado Interstate Gas Company

Gregory L. Johnson, Esq.,  
Horn, Anderson & Johnson,  
Colorado Springs, Colorado,  
for the City of Colorado Springs;

Thomas C. Stifler, Esq.,  
Colorado Springs, Colorado, and  
Merlin Remmenga, Esq.,  
Omaha, Nebraska,  
for Peoples Natural Gas Division of  
Northern Natural Gas Company;

D. Bruce Coles, Esq., and  
Edward T. Buckingham, Esq.,  
Mountain-Plains Congress of  
Senior Organizations,  
Denver, Colorado,  
for Ann Caldwell;

Donald D. Cawelti, Esq.,  
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Denver, Colorado,  
for Greeley Gas Company,  
and Citizens Utilities Company;

Frederic L. Coldwell, Esq.,  
Rothgerber, Appel and Powers,  
Denver, Colorado,  
for Home Builders Association of  
Metropolitan Denver;

Eugene C. Cavaliere,  
Assistant Attorney General,  
for the Staff of the Commission

#### S T A T E M E N T

##### BY THE COMMISSION:

On May 11, 1978, Western Slope Gas Company (hereinafter referred to as "Western Slope" or "Applicant") filed an application with the Commission for authority to revise its gas rate adjustment rider tariffs, effective June 1, 1978, in order to establish a Gas Research Institute (hereinafter sometimes referred to as "GRI") adjustment to its gas rate adjustment riders. Western Slope stated in its Application that GRI was a gas industry planning and management organization engaged in research, development and demonstration projects through contracts with laboratories,

universities and others. Western Slope stated that it was a member of GRI and as a member of GRI it was committed to participate in funding GRI's research, development and demonstration programs. Western Slope stated that it would pay a portion of its share of GRI's funding requirements through Colorado Interstate Gas Company (hereinafter referred to as "CIG") (i.e. the portion of its purchases of gas transported in interstate commerce) and the remainder directly to GRI ( i.e., the portion representing its purchases of intrastate well-head natural gas). Western Slope stated in its Application that on April 6, 1978, CIG filed with the Federal Energy Regulatory Commission (hereinafter referred to as "FERC") proposed changes in its FERC Gas Tariff, effective June 1, 1978, in order to establish a GRI adjustment charge of \$0.0012 per Mcf. Western Slope proposed that it be authorized to increase its rates to all of its customers by an amount equal to \$0.0012 per Mcf @ 14.73 psia. According to Exhibit 2 attached to the Application of Western Slope, the proposed GRI adjustments would result in an annual increase to customers of \$74,353.00. Western Slope's application was assigned Application No. 31010.

On May 11, 1978, Public Service Company of Colorado (hereinafter referred to as "Public Service" or "Applicant") filed an application with the Commission for authority to revise its Gas Cost Adjustment (hereinafter referred to as "GCA") tariffs in accordance with Commission Decision No. 87640, dated October 21, 1975, and Public Service's Colorado P.U.C. No. 4-Gas Tariff. According to the Application of Public Service, the revisions to its GCA were being requested in order to flow through to its customers the proposed GRI charge for research and development to be reflected in the cost of natural gas charged to Public Service by its suppliers, CIG and Western Slope. Public Service stated in its Application that on April 6, 1978, CIG filed with FERC proposed changes in its FERC Gas Tariff, effective June 1, 1978, in order to establish a GRI charge of \$0.0012 per Mcf. Public Service proposed to increase its rates to its customers by modifying its GCA tariffs to

increase said tariffs by \$0.0012 per Mcf. The annual effect of the 1.2-mill-per-Mcf increase, according to Public Service's Application, would be an annual increase to its customers of \$173,977. The Application of Public Service was assigned Application No. 31010.

On June 6, 1978, by Decision No. C78-786, the Commission consolidated Application Nos. 31010 and 31011 for hearing and set the consolidated hearing to commence on July 12, 1978. In said Decision, the Commission instructed the Secretary of the Commission to mail a copy of Decision No. C78-786 to all gas utilities in the State of Colorado under the jurisdiction of the Commission.

On June 12, 1978, Rocky Mountain Natural Gas Company, Inc. filed a Petition to Intervene. Said Petition was granted on June 20, 1978, by Decision No. C78-830.

On June 14, 1978, Citizens Utilities Company filed with the Commission a Petition to Intervene, which was granted on June 20, 1978 by Decision No. C78-830.

On June 14, 1978, Greeley Gas Company filed a Petition to Intervene, which Petition was granted on June 20, 1978, by Decision No. C78-830.

On June 14, 1978, Salida Gas Service Company filed a Petition to Intervene. Said petition was granted by the Commission on June 20, 1978, by Decision No. C78-830.

On June 15, 1978, the City of Colorado Springs filed with the Commission a Petition to Intervene. Said Petition was granted on June 20, 1978 by Decision No. C78-830.

On June 23, 1978, Peoples Natural Gas Division of Northern Natural Gas Company filed with the Commission a Petition to Intervene. Said Petition to Intervene was granted by the Commission on July 11, 1978, by Decision No. C78-890.

On June 27, 1978, CIG filed with the Commission a Petition of Colorado Interstate Gas Company for Leave to Intervene, which Petition was granted by the Commission on July 11, 1978, by Decision No. C78-890.



On June 28, 1978, Kansas-Nebraska Natural Gas Company, Inc. filed with the Commission a Petition to Intervene in Support of the Applications of Western Slope Gas Company and Public Service Company of Colorado. Kansas-Nebraska Natural Gas Company, Inc. was granted leave to intervene on July 11, 1978, by Decision No. C78-890.

On June 28, 1978, Ann Caldwell filed a Petition to Intervene in consolidated Application Nos. 31010 and 31011. Said Petition of Ann Caldwell was granted on July 11, 1978, by Decision No. C78-890.

On June 29, 1978, the hearing date of July 12, 1978, was vacated by Notice of the Executive Secretary of the Commission to all parties.

On September 6, 1978, by Decision No. C78-1177, the Commission prescribed procedural dates for the filing of testimony and for cross-examination of witnesses filing testimony. The Commission provided in said Decision that Applicants Western Slope and Public Service would be required to file written direct testimony of its witnesses on or before October 2, 1978, and that intervenors and Staff of the Commission would be required to file written direct testimony of their witnesses on or before November 20, 1978. The Commission reserved the dates of October 17, 18 and 19, 1978, for cross-examination of Applicants' witnesses and reserved the dates of December 12, 13 and 14, 1978, for cross-examination of witnesses of intervenors and Staff of the Commission.

By Notice of the Executive Secretary of the Commission, dated September 8, 1978, the dates of December 12, 13 and 14, which had been set by the Commission in Decision No. C78-1177 for the cross-examination of intervenors' and Staff's witnesses, was vacated, and said cross-examination was re-set for December 18, 19 and 20, 1978.

By letter dated September 14, 1978, counsel for Public Service notified the Commission that applicants' witnesses Dr. Robert B. Rosenberg, Vice-President, Research and Development, Gas Research Institute, and Mr. Robert E. Kelly, Vice-President, Public Service Company of Colorado and President of Western Slope Gas Company, could not be made available

for cross-examination on October 17 and 18, 1978, inasmuch as both had made previous commitments for said dates.

On October 3, 1978, by Decision No. C78-1306, the Commission prescribed new procedural dates for the conduct of Application Nos. 31010 and 31011. In Decision No. C78-1306, the Commission provided that written direct testimony of Applicants was to be filed on or before December 4, 1978, and written direct testimony of intervenors and Staff of the Commission was to be filed on or before January 2, 1979. The Commission prescribed in said Decision that the cross-examination of Applicants witnesses would be held by the Commission on February 7, 8 and 9, 1979, and that the cross-examination of intervenors and Staff witnesses would be held on March 7, 8 and 9, 1979. All previously set dates were vacated.

On November 28, 1978, GRI filed with the Commission a Petition of Gas Research Institute for Leave to Intervene in both consolidated proceedings. On December 7, 1978, by Decision No. C78-1595, the Commission granted the petition of GRI for leave to intervene.

On December 4, 1978, Applicants Public Service and Western Slope, filed written direct testimony of Dr. Robert B. Rosenberg, Robert E. Kelly and Ronald D. Stinson.

On December 4, 1978, Applicant Western Slope filed an amendment to its Application. In its Amended Application, Western Slope requested that it be permitted to increase its Purchase Gas Adjustment (PGA), effective January 1, 1979, by \$0.0035 per Mcf @ 14.73 psia. Western Slope requested that it be permitted to increase its PGA, effective January 1, 1979, with the portion attributable to intrastate purchases being made subject to refund. In its Amended Application, Western Slope stated that effective January 1, 1979, CIG and Northwest Pipeline Corporation would commence passing through to Western Slope the GRI adjustment in the new amount of \$0.0035 per Mcf. (CIG had withdrawn its first filing which was to have become effective June 1, 1978, and

a second filing which was to have become effective October 1, 1978. CIG refiled said tariffs on November 15, 1978, to become effective January 1, 1979.) Western Slope stated in its Amended Application that the 3.5-mill-per-Mcf increase in its PGA would increase rates to its customers by \$221,630, on an annual basis.

Also on December 4, 1978, Applicant Public Service filed with the Commission an amendment to its Application. In its Amended Application, Public Service requested authority to revise its GCA in order to increase said GCA by \$0.0035 per Mcf. Public Service indicated in its amendment that inasmuch as the FERC, by Opinion No. 30, issued September 21, 1978, in Docket No. RM78-76 had approved the collection by GRI of a \$0.0035 per Mcf charge from interstate pipeline members of GRI, that the FERC undoubtedly would approve the passing on of said 3.5 mill per Mcf charge to sale for resale customers of CIG. Public Service also indicated that Western Slope had filed, also on December 4, 1978, for authority to revise its PGA, to become effective January 1, 1979. Public Service indicated that the proposed revision in its GCA would result in an increase to customers, on an annual basis, of \$537,648.00.

On December 19, 1978, intervenor Greeley Gas Company (hereinafter referred to as "Greeley Gas" or "Applicant") filed an application for authority to revise its retail gas rates, effective January 1, 1979. Greeley Gas indicated in its Application that both Western Slope and CIG, its wholesalers, had agreed to increase their wholesale rates to provide for a GRI adjustment, effective January 1, 1979, in the amount of \$0.0035 per Mcf. Greeley Gas proposed that it be permitted to increase its rates in order to flow through the 3.5-mill-per-Mcf GRI charge from its wholesalers, effective January 1, 1979. Greeley Gas stated in its Application that it secured its gas requirements for its Canon City Division from CIG, and for the remainder of its divisions from Western Slope. Greeley Gas stated that the GRI adjustment from CIG would result in an annual increase in gas costs of \$5,231 in its Canon City Division; and from Western Slope in its Greeley service area, \$19,179;



in its Craig service area, \$2,191; in its Meeker service area, \$486; and in its Steamboat Springs service area, \$1,427.00, all on an annual basis. Said application of Greeley Gas was assigned Application No. 31486.

On December 21, 1978, the Staff of the Commission filed a motion for an order enlarging the time within which the Staff was required to serve and file the direct testimony of Dr. David S. Schwartz from January 2, 1979, to and including January 23, 1979. On December 22, 1978, by Decision No. C78-1695, the Commission granted said motion of Staff for an enlargement of time.

On December 26, 1978, Citizens Utilities Company (hereinafter referred to as "Citizens" or "Applicant") filed an application with the Commission for authority to increase its rates to its customers, effective January 1, 1979, \$13,511.00 on an annual basis. Citizens stated that it was requesting authority to "track" CIG's proposed increase in wholesale rates relative to the establishment of the GRI adjustment in CIG's wholesale rates to sale for resale customers, such as Citizens. Citizens indicated that it purchased gas for its Arkansas Valley Division from CIG under tariffs approved by FERC. The Application of Citizens was assigned Application No. 31517.

On December 27, 1978, Public Service filed with the Commission further amendments to its Application in which it sought authority to put into effect without formal hearing, effective January 1, 1979, the amendments to its GCA tariff sheets in order to flow through the proposed GRI surcharge from CIG. In its filing, Public Service amended its Application wherein it separated purchases of natural gas flowing in interstate commerce from purchases of natural gas flowing in intrastate commerce. Public Service indicated in its further amendment that as to the purchase of natural gas in interstate commerce, the Commission had little, if any, authority to prevent Public Service from flowing through the FERC approved GRI surcharge of 3.5 mills per Mcf. Public Service indicated further that by granting its amended application, the Commission would be able



to conduct its hearing on the GRI surcharge insofar as the Commission had authority, namely with respect to Public Service's purchases of intrastate gas from Western Slope.

Also, on December 27, 1978, Western Slope filed a further amendment to its Application taking the same position as Public Service Company in its further amendment, namely that with respect to Western Slope's purchases of gas in interstate commerce, the Commission had little or no authority to prevent Western Slope from passing on the GRI charge.

By Notice of the Executive Secretary of the Commission, dated December 28, 1978, Application No. 31486 was set for hearing before the Commission for February 7, 8 and 9, 1979, with Application Nos. 31010 and 31011. Said Notice also provided that Greeley Gas would be required to appear on said dates to present evidence in support of its Application, and that evidence in opposition to said Application would also be required to be produced on said dates.

On January 2, 1979, Peoples Natural Gas Division of Northern Natural Gas Company filed written direct testimony of Richard F. Coil.

By notice of the Executive Secretary of the Commission, dated January 8, 1979, Application No. 31517 was set for hearing before the Commission for February 7, 8 and 9, 1979 with Application Nos. 31010, 31011 and 31486. Said notice also provided that Citizens would be required to appear on said dates for the purpose of presenting evidence in support of its Application and that parties in opposition also would be required to appear and present evidence on said dates.

On January 23, 1979, Staff of the Commission filed written direct testimony of Dr. David S. Schwartz.

By Notice of the Executive Secretary of the Commission, dated February 7, 1979, the hearing dates of February 7, 8 and 9, 1979, were vacated and re-set for March 7, 8 and 9, 1979.

On February 14, 1979, Western Slope filed a motion with the

Commission in Application No. 31010 for leave to flow through, forthwith, to its customers the GRI charge. inasmuch as FERC had approved, on December 28, 1978, First Revised Sheet No. 61 and Original Sheet No. 61A, filed by CIG to establish a "Gas Research Institute Charge Adjustment Provision," and First Revised Sheet Nos. 7 and 8, to provide for the collection of \$0.0035 per Mcf for sales to distribution companies for resale and to pipelines who were not members of GRI.

On February 14, 1979, Public Service filed a Motion with the Commission in Application No. 31011 for leave to flow through, forthwith to its customers, the GRI charge.

On March 7 and 8, 1979, the Commission conducted a hearing at which all witnesses who had filed direct testimony were made available for cross-examination. On March 7, cross-examination was conducted of Dr. Robert B. Rosenberg and Mr. Ronald D. Stinson, witnesses for Public Service and Western Slope, and of Mr. Richard F. Coil, witness for Intervenor Peoples Natural Gas Division of Northern Natural Gas Company. On March 8, 1979, Public Service and Western Slope witness Mr. Robert E. Kelly was cross-examined. Staff witness Dr. David S. Schwartz was made available for cross examination, but cross-examined only by counsel for Intervenor Ann Caldwell. Dr. Schwartz was not cross-examined by counsel for any of the applicants or intervenor gas utilities. Twenty-three numbered exhibits in support of either direct testimony or cross-examination were offered and admitted into evidence during the two-day hearing. Exhibit Nos. 24 and 25 were filed by Applicants Public Service and Western Slope on March 21, 1979, as late filed exhibits, pursuant to order of the Commission made at the hearing. A list describing all exhibits offered and received into evidence is attached to this decision as Appendix A.

At the conclusion of cross-examination, the Commission provided for the filing of briefs by all parties. Opening briefs were ordered to be served and filed on or before March 30, 1979, and reply briefs on or

before April 16, 1979. At the conclusion of the hearing the matter was taken under advisement by the Commission.

On March 30, 1979, opening briefs were filed by the following parties: Applicants Public Service and Western Slope, Intervenor GRI and Staff of the Commission.

On April 5, 1979, counsel for GRI requested an extension of time within which to file its reply brief to and including April 12, 1979. Also on April 5, 1979, counsel for the Staff of the Commission requested an enlargement of time within which to file its reply brief and those of other parties to and including April 16, 1979. On April 10, 1979, by Decision No. C79-532, the Commission granted all parties an enlargement of time within which to file reply briefs to and including April 16, 1979.

On April 16, reply briefs were filed by the following parties: Applicants Western Slope and Public Service, Intervenor GRI and Staff of the Commission.

#### FINDINGS OF FACT

Based upon the evidence of record in the within consolidated proceedings, the Commission finds the following facts:

1. Applicants, Western Slope Gas Company, Public Service Company of Colorado, Greeley Gas Company and Citizens Utilities are public utilities within the meaning of C.R.S. 1973, 40-1-103(1), and therefore subject to the jurisdiction of and control and regulation by the Commission pursuant to the provisions of Articles 1 to 7 of Title 40, Colorado Revised Statutes 1973, as amended.

2. Western Slope is a member of the Gas Research Institute. On May 11, 1978, Western Slope filed an application with this Commission for authority to establish a Gas Research Institute adjustment of \$0.0012 per Mcf at 14.73 psia on all sales of natural gas to all of its customers. The proposed GRI adjustment would increase rates to customers by approximately \$74,353 on an annual basis. On December 4, 1978, Western Slope filed an amendment to its application. Western Slope in its amended application

requested authority to revise its PGA provisions of its Colorado P.U.C. No. 2 Gas Tariff to incorporate therein a GRI adjustment of \$0.0035 per Mcf at 14.73 psia to all customers. The proposed \$0.0035 per Mcf GRI adjustment would increase rates to customers by approximately \$221,630.

Western Slope purchases approximately 73% of its total natural gas supply from CIG and approximately 27% of its natural gas supply from various intrastate producers. Less than one per cent of its purchases are from Northwest Pipeline Corporation. Based upon Exhibit 14, \$172,570 of the requested increase would reflect the GRI charge passed on from CIG and \$49,076 would reflect the GRI charge passed on from purchases of intrastate gas. As of the date of the hearing, Western Slope had made no direct payments to GRI based upon purchases and sales of intrastate gas.

On December 28, 1978, in Docket Nos. RM77-14, RP78-76 and R-406, FERC accepted for filing, effective January 1, 1979, First Revised Sheet No. 61 and Original Sheet No. 61A establishing a "Gas Research Institute Charge Adjustment Provision" in CIG's Gas Tariff. FERC also accepted for filing, effective January 1, 1979, First Revised Sheet Nos. 7 and 8 providing for the collection of \$0.0035 per Mcf for sales and transportation deliveries by CIG to distribution companies for resale and to pipelines not members of GRI. CIG has been charging and Western Slope has been paying, 3.5-mill-per-Mcf GRI charge since January 1, 1979.

3. Public Service is a member of the Gas Research Institute. On May 11, 1978, Public Service filed with this Commission an application to revise its GCA to reflect an increase to customers of \$0.0012 per Mcf. The proposed increase was intended to flow through to the customers of Public Service the GRI charge received by Public Service from its wholesale suppliers Western Slope and CIG. The proposed GCA revision would result in an increase to customers of approximately \$173,977. On December 4, 1978, Public Service filed an amendment to



its Application. In its amendment to its Application, Public Service requested that it be permitted to revise its GCA, without formal hearing, to become effective January 1, 1979, by increasing said GCA \$0.0035 per Mcf. The proposed amendment would result in an increase to customers of approximately \$537,648 on an annual basis.

Approximately 76% of Public Service's total gas supply is purchased from CIG and the remaining 24% from Western Slope. According to Exhibit No. 14, \$401,653 of the requested increase is attributable to the GRI charge passed on to Public Service directly from CIG. Approximately \$102,527 of the requested increase would have been attributable to the GRI charge passed on from CIG to Western Slope to Public Service if the Commission approved the application of Western Slope in Application No. 31010. Approximately \$24,527 of the requested increase would have been attributable, if it had been approved, to the GRI charge that would have been passed on from Western Slope to Public Service relative to purchases, transportation and sale of natural gas in intrastate commerce had Western Slope made direct payments to GRI pursuant to Section 3.3.2 of GRI's By-Laws relative to purchases, transportation and sales of natural gas in intrastate commerce. Public Service has been paying only the GRI charge as reflected in its purchases of natural gas from CIG.

4. On December 19, 1978, Greeley Gas filed an application with the Commission for authority to revise its GCA tariffs by increasing same in an amount equal to \$0.0035 per Mcf. The proposed increase was designed to pass on to its customers the GRI charge. Greeley Gas obtains its wholesale supply of natural gas for its Canon City Division directly from CIG, and the remainder of its wholesale supply of natural gas from Western Slope. Greeley Gas' application to revise its GCA would result in an increase to its customers of \$28,514 on an annual basis. Of this amount, \$5,231 represents a pass on of the GRI charge from CIG to Greeley Gas. The remaining \$23,283 of the annual amount is

attributable to the GRI charge that would have been passed on from Western Slope had the Commission approved Western Slope's application in Application No. 31010.

5. On December 26, 1978, Citizens filed an application with the Commission for authority to revise its gas rate adjustment rider, effective January 1, 1979, in the amount of \$13,511, on an annual basis. The purpose for said increase in its gas rate adjustment rider was to pass on to its customers the GRI charge to be received by Citizens from CIG in its Arkansas Valley Division, effective January 1, 1979.

6. Colorado Interstate Gas Company is a natural gas company within the meaning of the Natural Gas Act, 15 U.S.C. Section 717, et seq., engaged in the purchase, production through its affiliates, transportation and sale of natural gas in interstate commerce. With respect to its purchases, production, transportation and sale for resale in interstate commerce, CIG is subject to the jurisdiction of the Federal Energy Regulatory Commission. CIG sells natural gas for resale in interstate commerce to all four Applicants, as described hereinabove in Findings of Fact 2 through 5. CIG is a charter member of GRI.

7. Gas Research Institute is an organization incorporated under the General Not For Profit Corporation Act of the State of Illinois. GRI was incorporated on July 8, 1976. After a study conducted by the American Gas Association (AGA) and the Interstate Natural Gas Association of America (INGAA), the Board of Directors of AGA, on June 20, 1976, approved the formation of GRI, and on June 30, 1976, the Board of Directors of INGAA endorsed the concept of GRI. GRI was organized exclusively "for scientific and educational purposes, including but not limited to the organization, financing, management and conduct of programs of applied and basic research and development, either solely or jointly with agencies of federal, state and local government, industry and other scientific and educational organizations in the general areas of production, transmission, storage, distribution, utilization and conservation of natural and manufactured gases and related products, and in the analysis, demonstration and dissemination of results derived

from such research and development programs." GRI is not, nor does it intend to become, a natural gas company engaged in the business of production, transmission or distribution of natural gas within the meaning of the Natural Gas Act, 15 U.S.C. Section 717, et seq., or a public utility within the meaning of C.R.S. 1973, 40-1-103. Accordingly, GRI is not subject to the jurisdiction of either FERC or this Commission.

Membership in GRI is limited to interstate gas pipeline companies, a majority of whose gas sales and transportation revenues are derived from rates regulated by FERC (Interstate Pipeline Company Member Class); to investor-owned gas distribution utility companies, intrastate gas pipeline companies and other organizations in the United States and Canada approved for membership by the Board of Directors (Distribution Company Member Class); and municipal or other government or publicly owned gas distribution utility systems (Municipal Utility Member Class). GRI is managed by a Board of Directors consisting of twenty-five members, twenty-four whom are elected by the members of GRI. The twenty-fifth director is the elected president of GRI. The twenty-four elected directors are elected by members of GRI voting by membership class. The number of directors to be elected by each membership class is as follows: twelve directors from the Interstate Pipeline Company Member Class, ten directors from the Distribution Company Member Class and two directors from the Municipal Utility Member Class. In addition to its president, executive vice-president, secretary, treasurer, comptroller and staff personnel, GRI presently has four advisory committees: an Advisory Council composed of persons who in the opinion of the Board of Directors of GRI are representatives of consumer, regulatory, scientific, engineering, economic, environmental, industrial, and labor groups, whose function it is to review the objectives, programs and proposed programs of GRI in light of the interest represented by said members and of the public interest; the Research Coordination Panel composed of persons who in the opinion of the Board of Directors of GRI have



outstanding qualifications in the areas of energy technology, whose purpose it is to advise the Board of Directors and the president of GRI concerning the coordination of the research and development plans of GRI with major governmental and private research and development agencies or organizations; the Industry Technical Advisory Committee composed of persons who in the opinion of the Board of Directors of GRI have expert technical knowledge in the gas service industry, whose function it is to conduct technical reviews of the research and development programs of GRI; and the Municipal Gas System Advisory Committee.

According to Exhibit No. 1, there are twenty-seven charter members and one regular member in the Interstate Pipeline Company Member Class; ninety-three charter members and forty regular members in the Distribution Company Member Class; and four charter members and nineteen regular members in its Municipal Utility Member Class.

8. On March 22, 1978, Federal Energy Regulatory Commission entered Opinion No. 11 in Docket No. RM77-14 (entitled Gas Research Institute). In said Opinion, FERC entered its order granting the application of GRI proposing a 1.2-mill-per-Mcf General R&D Funding Unit for the first year of GRI's operation (1978), GRI's first year funding of \$9.5 million dollars, and GRI's initial Five-Year Plan.

9. On September 21, 1978, FERC entered Opinion No. 30 in Docket No. RP78-76 (entitled Gas Research Institute). In Opinion No. 30, FERC entered its order granting the application of GRI for advanced approval of its projected 1979 R&D Budget Program of \$39,958,000, GRI's proposed 1979-1983 Five-Year R&D Plan, and a 3.5-mill-per-Mcf R&D Funding Unit.

10. On December 28, 1978, FERC issued an order in Docket Nos. RM77-14, RP78-76 and R-406 (entitled Colorado Interstate Gas Company) accepting for filing, effective January 1, 1979, First Revised Sheet No. 61 and Original Sheet No. 61A establishing a "Gas Research Institute



Charge Adjustment Provision" in CIG's Gas Tariff, and First Revised Sheet Nos. 7 and 8 providing for the collection of \$0.0035 per Mcf for for sales and transportation deliveries to distribution companies for resale and to pipeline companies not members of GRI. Since January 1, 1979, CIG has charged and applicants have paid the 3.5-mill-per-Mcf GRI charge.

11. Funding for GRI is determined according to a Funding Formula adopted by the Board of Directors of GRI on December 17, 1976. Under the formula, a General R&D Funding Unit is determined by dividing the annualized Funding Requirement for a Funding Period by the related aggregate volume of Test Year Funding Services for all members. The General R&D Funding Unit is applied to all members, except those Distribution Company Members and Municipal Utility Members which make payments to GRI because they receive a part, but not all, of their natural gas supplies by purchase from non-members or from their own production. With respect to these members, an individual R&D Funding Unit is determined by pro-rating the General R&D Funding Unit in proportion to the natural gas supply which such members purchased from non-members and/or produced from its own wells or production facilities during the test year, was of its total gas supplies during such year. The determination of the Funding Requirement for each successive Funding Period is determined by the Board first determining the gross cost of the research and development programs for the Funding Period. From such gross cost, there is deducted all monies which the Board estimates GRI will receive during the Funding Period, other than payments made pursuant to subsection 3.3.2 of GRI's By-Laws. From this balance, there is also deducted the amount of money which the Board estimates will be on hand at the commencement of the Funding Period over and above reserves needed for contractual or other obligations. The volumes of natural gas of the Test Year Funding Services to be used in determining the R & D Funding Units are determined by the use of a test year starting from a twelve-month period of actual experience, antedating the Future Funding Period.

The Funding Services of Interstate Pipeline Company Members is applied to (1) all sales made or deliveries of natural gas to distribution utilities for resale, or for use by such utilities, whether or not the distribution utilities are members of GRI; (2) all sales made or deliveries of natural gas to other interstate pipeline companies which are not members of GRI; (3) all sales made or deliveries of natural gas to consumers for ultimate use. The Funding Services of Distribution Company Members and Municipal Utility Members are applied to purchases of natural gas in those cases in which the member receives all or more than ten per cent of its natural gas from sources other than interstate pipeline company members or other members. In circumstances where a member receives all or more than ten per cent of its natural gas from non-members and/or from its own wells or production facilities, then all of its sales and transportation deliveries are considered Funding Services.

Any member, at its option, may elect that its obligation to pay over money to GRI does not ripen unless and until (1) the regulatory authority having jurisdiction over such member has authorized that member by final order to collect, in advance, the amount which, after allowing for any gross receipts tax or other governmental impositions, specifically defrays such member's payments to GRI, and (2) the amounts required to defray such payments have, in fact, been collected pursuant to tariff, free and clear of any further hearing or any refund or other contingency obligation. In addition, any member, at its option, may elect that its obligation to pay over money to GRI does not ripen unless and until (1) the natural gas customer has agreed that such amount may be added to the price for natural gas service, and (2) the amounts required to defray such payments have, in fact, been collected pursuant to such agreement free and clear of any refund or other contingency obligation.

12. During the course of the hearing, Applicants offered into evidence Exhibit 7, entitled "GRI 1979-1983 Five-Year R&D Plan

and 1979 R&D Program, Volume II: Program Descriptions". There is included in Exhibit 7 a description of each of the 1979 GRI projects. These research and development projects fall into several categories. One category of research and development projects concerns the extraction of natural gas from tight rock formations, western tight sands, Eastern Devonian shale by hydraulic or explosive fracturing and extraction of natural gas in geopressured zones; and extraction of natural methane from coal beds and subsurface hydrates. A second category of research and development projects concerns the manufacture of synthetic methane from such feed stocks as coal, oil shale, biomass and wastes. A third category of research and development projects concerns the extraction of hydrogen from water. A fourth category of research and development projects concerns the manufacture of various residential, commercial or industrial gas-burning appliances, such as, for example, gas-fired furnaces, gas-fired heat pumps, gas fueled commercial cooking equipment, gas-fueled ranges, gas-fired water heaters, gas-fired dryers and gas-fired grills, infrared and catalytic burners, and residential and commercial solar heating and cooling equipment. A variety of research and development projects peripheral to gas-fired appliances is also described in Exhibit 7. A fifth category of research and development projects relates to basic research in such areas as kinetic and catalytic science; molecular structures, properties and processes; electrostatic fields, thermodynamics, heat and heat mass transfer. A variety of other research and development projects is contained in Exhibit 7. The scope and number of R&D projects is very extensive.

#### DISCUSSION ON FINDINGS OF FACT

The applications in the within consolidated proceedings present to this Commission the issue whether it would be in the public interest to authorize Applicants to flow through the GRI charge of \$0.0035 per Mcf monthly with Applicants' respective GCA, PGA or gas rider tariffs.

Because of the well-head sources of natural gas consumed in Colorado, this issue must be considered in two different contexts,



depending upon whether the well-head source of natural gas is categorized as "interstate" or "intrastate".

#### Intrastate Natural Gas

With respect to that portion of Western Slope's purchases of natural gas originating and flowing in "intrastate" commerce, the Commission unanimously is of the opinion that its application in Application No. 31010 should be denied.

GRI was formed by certain companies in the natural gas industry to continue research and development activities of the American Gas Association. Funding for AGA research and development has been provided in the past by the natural gas companies that were members of AGA. Payments to AGA by gas utilities which are under the jurisdiction of this Commission were subject to review and allowance or disallowance by this Commission for rate making purposes. GRI, and funding therefor, however, have been so structured by the natural gas companies forming GRI that this Commission's legal power to allow or disallow research and development expenditures for rate making purposes has been limited to the "intrastate" natural gas area.

Under section 3.2 of GRI's By-Laws, only members of the natural gas industry (with the exception of well-head producers) may become members of GRI. Under Article VI of its By-Laws, GRI is governed by a Board of Directors consisting of twenty-five members, twenty-four of whom are from the natural gas industry (the twenty-fifth director being the President of GRI). Although membership in and direct voting control of GRI is limited to companies in the natural gas industry, these same companies have provided themselves with protection against "involuntarily" having to provide any funding for GRI's research and development activities. Unfortunately, the natural gas companies forming GRI have not provided the same option to natural gas consumers, who are, and will be, providing the funding for GRI's research and development. All of the utilities in these proceedings which offered evidence, as well as GRI, have taken the



position that the natural gas consumers should provide all of the funding for GRI's research and development budget and that natural gas company stockholders should provide none of the funding. Although the structure of GRI guarantees that the consumers will provide all of the research and development budget funding for GRI, this structure does not provide these same gas consumers with a single direct vote as to how their money is to be expended -- either as to the type of research and development or the level of spending therefor. The natural gas companies control which research and development programs will be pursued and the level of funding therefor. These companies bear none of the monetary risks generally associated with such control. The natural gas consumer is being forced to assume the monetary risks associated with research and development, without being able to control or minimize these risks. If a research and development program is discontinued before completion, or fails to prove economically feasible when completed, only the natural gas consumers will suffer a monetary loss. This Commission cannot believe that natural gas consumers would join voluntarily a research and development venture and provide the funding therefor unless they were given some direct control over how their money was to be spent. The present structure and funding of GRI is, in the opinion of this Commission, so one-sided against the natural gas consumer that this Commission will not approve the flow-through of GRI's cost to the natural gas consumer in those areas in which the Commission has jurisdiction.

In addition, there remains the very fundamental and basic question of whether it is, or should be, the natural gas consumers' obligation to fund in advance research and development projects for natural gas producers (among which may be such corporations as Mobil Oil Company, Texaco, Exxon, Phillips Petroleum Company, Tenneco Oil Company, Pennzoil Company, etc., that are quite able to fund their own research and development), natural gas appliance manufacturers, synthetic gas manufacturers, solar energy equipment manufacturers, etc. It is the

Commission's opinion that this is not the obligation of the natural gas consumer. This conviction is reinforced considerably when viewed in light of the scope of the research and development projects being pursued by GRI. See, for example, Exhibit 7, which describes each research and development project being pursued in 1979 by GRI. Less than ten per cent of the budget is in areas of research and development directly related to the production of more natural gas. The Applicants in these proceedings have not demonstrated to the Commission that it is or should be the obligation of a purchaser of natural gas to provide advance funding for research and development in the production, transportation and sale areas not associated with natural gas described in Exhibit 7. The Commission intends to pursue this issue before the FERC in the GRI 1980-Budget Application proceeding and, if necessary, in federal court.

It is the present intention of the Commission that so long as the structure, funding and scope of the research and development projects of GRI continue as is, direct payments to GRI under subsection 3.3.2 of its By-Laws will be treated in a general rate investigation as a "below-the-line" item of expense and disallowed for rate making purposes. However, inasmuch as distribution of stockholder equity, except in rarest of circumstances, is a matter within the discretion of management, Western Slope and other gas utilities under the jurisdiction of this Commission, should not interpret the above as a prohibition against making any direct payments to GRI. Such direct payments, however, should be made with the above caveat in mind.

#### Interstate Natural Gas

Applicants, Western Slope, Public Service and GRI have argued to this Commission that under the "filed rate doctrine", this Commission must consider the GRI charge as a "reasonably" incurred operating expense and that, therefore, this Commission has no legal authority to deny Applicants permission to flow through the GRI charge. The Commission has read and considered the briefs filed herein by Western Slope, Public Service and GRI, and the cases cited therein in support. The Commission agrees

with Applicants and GRI that this Commission legally is required to consider the GRI charge flowed through from CIG and Northwest Pipeline Corporation to Colorado distribution companies as a "reasonably" incurred operating expense for rate making purposes. However, none of the cases cited support Applicants and GRI's argument that this Commission legally is required to flow through to natural gas consumers the GRI charge as a part of Applicants' GCA, PGA or gas rider tariffs. The case relied upon most heavily by Western Slope, Public Service and GRI, namely, Narragansett Electric Company vs. Burke, 381 A.2d 1358 (R.I. 1977), which considered this issue, does not support the argument that this Commission is obligated legally to flow through the GRI charge as a part of a gas distribution utility's GCA or PGA. As a matter of fact, the Narragansett case supports the action being taken herein by the majority of this Commission.

After considering the issues raised in these highly contested proceedings, a majority of the Commission has concluded that it can carry out best its constitutionally and statutorily imposed duties to protect the interest of Colorado's natural gas consumers if it considers the GRI charge in the context of each general rate investigation. The scope of proceedings, such as Applications Nos. 31010, 31011, 31486 and 31517, do not provide this Commission with the latitude the Commission needs to properly consider the GRI charge. For example, in the within consolidated proceedings only the amount of the GRI charge and its origins were considered. No aspects of Applicants' revenues operating expense, or rates of return on rate base or on equity were considered. Applicants undoubtedly will disagree with this conclusion of the Commission. To Applicants, the GRI charge is considered as an increase in the "cost" of natural gas like any other increase in the "cost" of natural gas flowed through in their respective GCA or PGA tariffs. However, from the point of view of the natural gas consumer, the added "cost" of natural gas to them represented by the GRI charge is not like any



other increase in the "cost" of natural gas, since the GRI charge has not been incurred by any well-head producer, interstate pipeline company, or distribution company in the production, transportation or sale of the natural gas being consumed. Although the GRI charge is an added cost of natural gas that this Commission is obligated legally to consider as "reasonable"; this does not make this added cost "reasonable" from the gas consumers' points of view, when viewed in the context of its origins and control. Because FERC approves a tariff of an interstate pipeline company (thus making the charge contained in that tariff the "legal" charge, and therefore a legally reasonable cost to the distribution company), does not make that cost "reasonable" in an equity sense. The natural gas industry and GRI have promised the natural gas consumers all of the benefits to be derived from research and development conducted under the management of GRI (benefits, however, not specified or quantified in these proceedings). Some consumers, if certain of the research and development projects of GRI are successful, will receive benefits. In the end, however, this Commission suspects that the natural gas industry, natural gas producers, certain manufacturers, and others will reap benefits far in excess of those derived by natural gas consumers. However, the difference between the benefits received by each of these groups is that the consumers will have assumed involuntarily all of the financial risks by providing the funding.

As this Commission views the matter, the gas consumer has been promised all of the benefits from GRI's research and development in exchange for providing all of the funding therefor. However, as stated above, the Commission has not been convinced that all benefits will be secured to the consumers. All one has to do is review the research and development projects described in Exhibit 7 to reach this conclusion. This Commission, however, intends to do the best it can within the legal framework that it is operating in to guarantee that the natural gas consumers of Colorado receive the benefits it is said they are to receive, and not to let these benefits "fall between the cracks" because the GRI charge is flowed through monthly without proper consideration.



Two of the "benefits", for example, promised to gas consumers in documents filed with FERC, which were offered and admitted into evidence in the within proceedings, are (1) lower depreciation rates and therefore lower operating expenses, (2) lower "just and reasonable" rates of return on equity to reflect the lesser business risk and higher market prices for common stock due to the promised or attained research and development achievements of GRI, and therefore lower revenue requirements.

In the context of a general rate investigation, the Commission will be able to consider the GRI charge vis a vis the promised benefits. In the event that the promised achievements of GRI are not forthcoming, this Commission will consider requiring stockholders of the distribution companies under its jurisdiction to assume a fair share of the financial risks of GRI's research and development programs.

#### CONCLUSIONS ON FINDINGS OF FACT

1. That portion of the Application of Western Slope for authority to collect from its customers through its PGA, funds for the purpose of making direct payments to GRI reflecting purchases of natural gas in intrastate commerce should be denied for the reasons set forth in the DISCUSSION ON FINDINGS OF FACT hereinabove.

2. That portion of the Application of Western Slope, Public Service and Greeley Gas, and the Application of Citizens for authority to pass on to their customers through their applicable GCA, PGA or gas rider tariffs the \$0.0035-per-Mcf GRI charge passed on from CIG should be denied. Recovery of the costs representing the GRI charge passed on from CIG should be considered in a general rate investigation as an operating expense in the determination of revenue requirement.

3. That portion of the Applications of Public Service and Greeley Gas relating to purchases of natural gas from Western Slope should be denied, inasmuch as the Application of Western Slope to pass on to its customers through its PGA, the GRI charge relating to both interstate and intrastate gas in Application No. 31010, has been denied herein.

O R D E R

THE COMMISSION ORDERS THAT:

1. The Application filed by Western Slope Gas Company on May 11, 1978, in Application No. 31010, as amended on December 4, 1978, and as further amended on December 27, 1978, be, and hereby is, denied.

2. The Application filed by Public Service Company of Colorado on May 11, 1978, in Application No. 31011, as amended on December 4, 1978, and further amended on December 27, 1978, be, and hereby is, denied.

3. The Application filed by Greeley Gas Company on December 19, 1978, in Application No. 31486 be, and hereby is, denied.

4. The Application filed by Citizens Utilities Company on December 26, 1978, in Application No. 31517 be, and hereby is, denied.

5. The "Motion of Applicant Western Slope Gas Company for Order Granting Forthwith Portion of Application Respecting Flow Through of Federally-Approved GRI Charges" filed on February 14, 1979, be and hereby is, denied.



6. The "Motion of Applicant Public Service Company of Colorado for Order Granting Forthwith a Portion of Application Respecting Flow Through of Federally-Approved GRI Charges", filed on February 14, 1979, be and hereby is, denied.

7. Any motion not specifically ruled upon during the hearing in the within consolidated proceedings or specifically addressed in this decision be, and hereby is, denied.

This Order shall be effective forthwith.

DONE IN OPEN MEETING the 14th day of June, 1979.

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

  
  
Commissioners

COMMISSIONER SANDERS G. ARNOLD  
CONCURS IN PART AND DISSENTS IN PART.

COMMISSIONER SANDERS G. ARNOLD CONCURRING IN PART AND DISSENTING IN PART:

I concur with the Majority Decision to the extent that it disallows Western Slope's Application No. 31010 insofar as it pertains to purchases, transportation and sales of natural gas in intrastate commerce. It is quite clear that with respect to intrastate natural gas sales this Commission has the jurisdiction and authority to approve, or not approve, the Gas Research Institute charges for intrastate gas costs which may be incurred by a gas distribution utility which the Commission finds "unreasonable."

It should also be pointed out that I share the concerns of the majority of the Commission regarding the structure of the Gas Research Institute (GRI) and the particular research projects which have been scheduled for 1978 and 1979 by GRI. In these regards (intrastate pass on of GRI; structure of GRI; and GRI projects) I concur with the Majority Decision.

However, this Commission must consider the GRI charge for interstate gas as a "reasonably" incurred operating expense inasmuch as the same has been specifically authorized as an integral part of gas costs by the Federal Energy Regulatory Commission (FERC) under the "filed rate doctrine" and is the legal rate a distribution company must pay. Thus, this Commission has no legal authority to disallow the

interstate GRI charges for interstate gas for rate making purposes. By strained reasoning, the majority decided not to allow the legal rates that a distribution company must pay to flow through to the rate payers under the approved GCA, PGA or gas rider tariffs. The majority of the Commission states that none of the cases cited by Applicants in GRI legally require this Commission to flow through to natural gas consumers GRI charges as a part of Applicants' GCA, PGA or gas rider tariffs. It is unnecessary for me to decide whether the majority of the Commission is legally correct, or whether the Applicants are legally correct with respect to whether or not the Commission is obligated legally to flow through the GRI charge as a part of a gas distribution utility's GCA or PGA. Irrespective of whether we are legally required to flow through the GRI interstate gas cost, nevertheless, it seems abundantly clear to me that the Commission would be remiss in not doing so.

The Colorado Supreme Court has as recently as February of this year in the case of Peoples Natural Gas Division of Northern Natural Gas Company vs. PUC, et al, \_\_\_ Colo. \_\_\_; 590 P.2d 960, 963, said, "... that it (is) only just to allow a regulated supplier to recover an increase in the cost of fuel especially when the increase was occasioned by the activity of another regulatory body." In the situation here, an increase in the cost of gas has been occasioned by the activity of another regulatory body, to wit, FERC. It seems patently unfair not to allow the Applicants, with respect to the increased interstate cost of gas which has been specifically sanctioned by a federal regulatory body, to recover that increased cost of gas in the same manner as we allow utilities to recover other increased costs of gas.

Furthermore, it should be pointed out that in Decision No. C78-414, entered on April 5, 1978 regarding GCA and PGA adjustment tariffs, this Commission stated that "gas utilities are still expected to participate in rate proceedings of their pipeline supplies (sic) before FERC to assure that the rates established are the minimum



possible commensurate with the provisions of adequate service and development of additional supplies." (Emphasis supplied.) The majority of the Commission, by its action today denying flow through of the interstate GRI cost, in effect has repudiated or, at best, truncated what it ordered gas utilities to do in Decision No. C78-414.

It should be clear the whole matter of what is the proper structure of GRI for interstate gas and what are proper gas research projects has been fought in the wrong forum; namely, this Commission. The appropriate forum is, of course, the FERC and it is in that forum that this Commission should make its views known as a participating party. In other words, many of the issues which have been vigorously contested before us in the within proceedings should have been brought out in proceedings before the FERC prior to the time that it approved the interstate GRI gas cost. Accordingly, I must respectfully dissent from that part of the Commission decision which denies the flow through of the interstate GRI gas costs.

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO



Commissioner

## LIST OF EXHIBITS

<u>EXHIBIT NO.</u>	<u>DESCRIPTION OF EXHIBIT</u>
1	Gas Research Institute Membership Roster (as of November 7, 1978)
2	Opinion No. 11 entitled "Opinion and Order Approving the Initial Research, Development and Demonstration Program of Gas Research Institute," issued March 22, 1978, in Docket No. RM77-14 (Federal Energy Regulatory Commission)
3.	Application of Gas Research Institute for Advance Approval of its 1979-1983 Five-Year R & D Plan and 1979 R & D Program and Jurisdictional Rate Adjustments Necessary to Fund the 1979 Program in Docket No. RP78-76 (Federal Energy Regulatory Commission)
4	Opinion No. 30, entitled "Opinion and Order Approving the Gas Research Institute's 1979 Research and Development Program", issued September 21, 1978, in Docket No. RP 78-76 (Federal Energy Regulatory Commission)
5	Stipulation and Agreement in Docket No. RM77-14 (Federal Power Commission)
6	Gas Research Institute 1979-1983 Five-Year R & D Plan and 1979 R & D Program, Vol. I, Development of the Plan
7	Gas Research Institute 1979-1983 Five-Year R & D Plan and 1979 R & D Program, Vol. II: Program Descriptions
8	Initial Brief of Gas Research Institute Opposing Concept of Shareholder Contributions, Dated February 15, 1979, in Docket No. RP78-76 (Phase II) (Federal Energy Regulatory Commission)
9	Initial Brief of Office of Regulatory Analysis, Federal Energy Regulatory Commission, in Docket No. RP78-76 (Phase II) (Federal Energy Regulatory Commission)
10	Initial Brief of the Commission Staff dated February 15, 1979, in Docket No. RP78-76 (Phase II) (Federal Energy Regulatory Commission)
11	Calculation of Gas Rate Adjustment of Citizens Utilities Company, Colorado Gas Division - Arkansas Valley

- 12 Balance Sheet and Statement of Income and Profit and Loss, June 30, 1978; Statement of Rate Base, June 30, 1978; Allocation of Increased Cost of Rate Schedules; Rate of Return on Capital; Resale Rates, Effective December 26, 1978; and Tariff Sheets of Greeley Gas Company
- 13 Staff Report on the Gas Research Institute 1979 Research and Development Program dated August 11, 1978, in Docket No. RP78-76 (Federal Energy Regulatory Commission)
- 14 Calculation of Interstate and Intrastate Amounts for the GRI Pass On for Western Slope Gas Company and Public Service Company of Colorado
- 15 Colorado Interstate Gas Company, FERC Gas Tariff, Original Volume No. I, First Revised Sheet No. 7, First Revised Sheet No. 8, First Revised Sheet No. 56, First Revised Sheet No. 58, First Revised Sheet No. 59, First Revised Sheet No. 61 and Original Sheet No. 61A
- 16 Statement of Gas Deliveries for January, 1979, from Colorado Interstate Gas Company to Western Slope Gas Company, dated February 9, 1979
- 17 Statement of Gas Deliveries for January, 1979, from Colorado Interstate Gas Company to Public Service Company of Colorado, dated February 12, 1979
- 18 Order Accepting Tariff Revisions and Denying Protest, Issued December 28, 1978, in Docket Nos. RM77-14, RP78-76 and R-406 (Federal Energy Regulatory Commission)
- 19 Order Dismissing Petition to Amend Prior Order, issued December 28, 1978, in Docket Nos. CP73-184 and CI73-485 (Federal Energy Regulatory Commission)
- 20 Joint Application for Certificate of Public Convenience and Necessity to Construct and Operate Pipeline System filed by Trailblazer Pipeline Company, Overthrust Pipeline Company and Colorado Interstate Gas Company in Docket No. CP79-80 (Federal Energy Regulatory Commission)
- 21 Letter dated January 5, 1979 from David J. Bardin, Administrator, Economic Regulatory Administration, Department of Energy, to Honorable Edwin R. Lundborg, Chairman, Colorado Public Utilities Commission
- 22 Reproduction of article entitled "Texas Gas Surplus for 80's," from The Oil Daily, Thursday, December 21, 1978

- 23           Reproduction of article entitled "Canada Finds  
Rise of 28% in Gas Sales to U. S. is Feasible"  
from New York Times, March 1, 1979
- 24           Gas Research Funding (Schedules 1 and 2)  
Showing GRI R & D Program with Government and  
Industry co-funding
- 25           "Assessing the Benefits of the Gas Research  
Institute's Research and Development Programs",  
Final Report, March, 1978, Prepared by S.R.I.  
International for Gas Research Institute
- A           Prepared Direct Testimony of Dr. Robert B. Rosenberg
- B           Direct Testimony of Ronald D. Stinson
- C           Prepared Direct Testimony of Richard F. Coil
- D           Direct Testimony of Robert E. Kelly
- E           Prepared Direct Testimony of David S. Schwartz  
on Behalf of Staff of the Commission