

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

DOCKET NO. 02S-315EG

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RE: THE INVESTIGATION AND SUSPENSION OF TARIFF SHEETS FILED BY PUBLIC SERVICE COMPANY OF COLORADO ADVICE LETTER NO. 1373 - ELECTRIC, ADVICE LETTER NO. 593 - GAS, AND ADVICE LETTER NO. 80 - STEAM.

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**ORDER GRANTING MOTION TO  
CHANGE PENSION EXPENSE LEVEL**

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Mailed Date: March 10, 2004

Adopted Date: March 10, 2004

**I. BY THE COMMISSION**

**A. Statement**

1. This matter comes before the Commission for consideration of the Motion to Approve a Reduction in the Level of 2003 Pension Expenses Included in the Company's Phase I Revenue Requirement (Motion to Change Pension Expense) filed by Public Service Company of Colorado (Public Service or Company) on February 6, 2004. This pleading is the result of Decision No. C03-1414 in which the Commission granted the Company an extension of time to file its Phase II case due to the Company's discovery that an incorrect unitization had occurred with its plant account balances. In granting the extension, the Commission required Public Service to file by February 6, 2004 a revised revenue requirement model. The Commission also allowed interested parties two weeks, or until February 20 to review the revised model.

2. By Decision No. C04-0205, the Commission granted a second extension of time to allow Staff of the Colorado Public Utilities Commission (Staff) to complete its review of the February 6, 2004 updated revenue requirement model. In granting the second extension of time, the Commission set March 3, 2004 as a deadline for Staff to finish its review and for Public

Service to either inform the Commission that the February 6, 2004 update should be used in the Phase II filing, or for the Company to file a second revised revenue requirement. On March 3, 2004, Public Service filed a second set of revised numbers reflecting changes from Staff's review. The second revenue requirement model reflects revised depreciation calculations agreed to between Staff and the Company.

3. In comparing the second revision to the original revenue requirement approved by the Commission in Decision No. C03-0670, the Commission notes that the Electric Department's Total Depreciation Expense has increase by \$154,607. In order to retain the same revenue requirement approved in Decision No. C03-0670, the Company increased the level of pension expense by \$22,554. When the Company first filed the Motion to Change Pension Expense, the February 6, 2004 update indicated that pension expense needed to be decreased by approximately \$1.442 million dollars. However, as a result of Staff's review the actual change in pension expense is a slight increase.

4. With the March 3 update, no party objects to the Company's revised revenue requirement model and the change to pension expense. Good grounds having been stated, we grant the Company's motion.

## **II. ORDER**

### **A. The Commission Orders That:**

1. The Motion to Approve a Reduction in the Level of 2003 Pension Expenses Included in the Company's Phase I Revenue Requirement filed by Public Service Company of Colorado on February 6, 2004 is granted, consistent with the above discussion.

2. Parties to Public Service Company of Colorado's Phase II rate case shall utilize the revised revenue requirement contained in the Company's March 3, 2004 filing.

3. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
March 10, 2004.**

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

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Commissioners