

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14A-0288E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR AN ORDER APPROVING PURCHASED CAPACITY COSTS RECOVERED THROUGH THE PURCHASED CAPACITY COST ADJUSTMENT CLAUSE FOR THE PERIOD JANUARY 1, 2013 THROUGH DECEMBER 31, 2013.

DECISION GRANTING APPLICATION

Mailed Date: July 1, 2014
Adopted Date: June 25, 2014

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of Public Service Company of Colorado's (Public Service) Application filed on March 31, 2014, for Commission approval of the purchased capacity expenses. Public Service states that it has incurred these expenses from January 1, 2013 through December 31, 2013 and that these expenses are reflected in its Purchased Capacity Cost Adjustment (PCCA) clause. Public Service submitted the Direct Testimony and Exhibits of David Wolaver in support of the Application.

2. The Application contains the information required by the applicable Commission Rules and is therefore deemed complete.

3. The Commission noticed this Application to all interested persons, firms, and corporations pursuant to § 40-6-108(2), C.R.S., on April 2, 2014.

4. No petition to intervene or otherwise participate in this proceeding has been filed. This proceeding is uncontested. Under § 40-6-109(5), C.R.S., this matter may be determined upon the record and without a formal hearing.

5. Now, being fully advised in the matter, we will grant Public Service's Application consistent with the discussion below.

B. Findings and Conclusions

6. In Commission Decision No. C06-1379, issued December 1, 2006, the Commission approved the Settlement Agreement between the parties dated October 20, 2006 and filed in Public Service's general rate case proceeding (Proceeding No. 06S-234EG). In addition to setting forth the design of the PCCA, the Settlement Agreement established a new annual review process for PCCA expenditures.

7. The Settlement Agreement requires Public Service, by April 1 of each year, to file for an annual review of the costs recovered through the PCCA during the previous calendar year.

8. Public Service's Application is for the 2013 calendar year and Public Service has made a timely filing.

9. Public Service's filing is the sixth application filed under this annual review process.

10. In support of its Application and in compliance with the substantive requirements of the Settlement Agreement, Public Service has provided the actual PCCA costs incurred by month and by power purchase agreements (PPAs) for the 2013 calendar year; the PCCA revenues received by month in 2013; and the calculations of the PCCA deferred balances for each month. Public Service also demonstrates that there were no "New PPAs" as that term is used in the Settlement Agreement. Public Service states that all of the PPAs that had

costs recovered in 2013 were contracts that either: a) had been included in a Commission approved rate; or b) had otherwise been approved by the Commission. As such, all PPAs identified by Public Service are subject to review of the prudence of contract administration.

11. The Commission finds and concludes that the information supplied by Public Service meets the substantive requirements of the Settlement Agreement. Further, the submitted information sets forth adequate justification to approve the purchased capacity expenses incurred by Public Service that were reflected in the PCCA in the 2013 calendar year. The Commission therefore finds good cause to grant the Application.

II. ORDER

A. The Commission Orders That:

1. The Application is deemed complete.
2. The Application for approval of the purchased capacity expenses recovered by Public Service Company of Colorado through its Purchased Capacity Cost Adjustment clause for the period January 1, 2013 through December 31, 2013 is granted.
3. The 20-day time period provided by § 40-6-114(1), C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the Commission mails this Decision.
4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
June 25, 2014.**

(S E A L)



ATTEST: A TRUE COPY



Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners