

Decision No. C14-0877

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14AL-0710ST

IN THE MATTER OF ADVICE LETTER NO. 124-STEAM FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO REVISE ITS COLORADO PUC NO. 1 STEAM TARIFF TO BECOME EFFECTIVE JULY 27, 2014.

**DECISION SUSPENDING EFFECTIVE
DATE OF TARIFFS AND NOTICE OF HEARING**

Mailed Date: July 25, 2014

Adopted Date: July 23, 2014

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY APPEARING AT THE HEARING. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS RATE MATTER, YOU MUST REQUEST PERMISSION FROM THE COMMISSION TO BE AN INTERVENOR (EVEN IF YOU HAVE ALREADY FILED AN OBJECTION). ANYONE DESIRING TO INTERVENE MUST CAREFULLY FOLLOW THE LAW AND COMMISSION RULES FOR BECOMING AN INTERVENOR. FOR FURTHER INFORMATION ON HOW TO INTERVENE CALL (303) 894-2070 (PUC EXTERNAL AFFAIRS OFFICE).

I. BY THE COMMISSION

A. Statement

1. On June 26, 2014, Public Service Company of Colorado (Public Service or Company), filed Advice Letter No. 124-Steam (attached as Exhibit 1). Public Service stated that the purpose of this filing is to include the current General Rate Schedule Adjustment rider from Proceeding No. 12AL-1269ST into base steam rates (*i.e.*, Phase II rate case); to restructure rates from the current 2-part to a 3-part demand-based rate structure; add a provision to allow customers planning to leave the system by October 1, 2015 to remain on 2-part rates; revise the current annual Steam Cost Adjustment to be revised quarterly; and to implement tariff changes

addressing stand-by service and past-due balance transferring to gas or electric service. Public Service requested that the tariff page(s) accompanying Advice Letter No. 124-Steam become effective on July 27, 2014.

2. On July 16, 2014, Colorado Energy Consumers (CEC) filed a protest and request for hearing. CEC argues that Public Service's proposed changes to the rate design for its steam service are significant and, as proposed, may result in discriminatory treatment between the Company's steam customers that elect to leave the steam system by October 2015 and those who do not, or cannot, exit the steam system by the October 2015 deadline. The Advice Letter warrants further investigation to determine if the proposed changes to the rate design and other tariff modifications are reasonable and in the public interest. CEC requests that the Commission issue a decision suspending the Advice letter, and setting the matter for hearing.

3. Under § 40-6-111(1), C.R.S., the Commission may, in its discretion, set the tariff page(s) for hearing which will suspend their effective date for 120 days from the proposed effective date. Section 40-6-111(1), C.R.S., also provides that the Commission may, in its discretion, by separate order, suspend the effective date of the tariff page(s) for an additional 90 days. Thus, the Commission has the power and authority to suspend the effective date of the tariff page(s) for a maximum of 210 days or, in this proceeding, through February 22, 2015. If the Commission does not establish new rates before the expiration of the first suspension period of 120 days, or November 24, 2014, the tariff page(s) filed by Public Service may become effective. If the Commission further suspends, by separate order, the effective date of the tariff page(s) for an additional 90 days, and if no new rates are established by the Commission before February 22, 2015, the tariff page(s) filed by Public Service may become effective.

B. Findings of Fact

4. We will set the proposed tariff page(s) for hearing and will suspend their effective date because the rates contained in the tariff pages may be improper.

5. We refer this matter to an Administrative Law Judge (ALJ). We further direct the ALJ to set a hearing date and establish other procedures by a separate decision.

6. A pleading to intervene may be filed by any person, firm, or corporation desiring to be a party and fully participate in this proceeding, as ordered below. The filing of any other document protesting the tariff pages shall not allow participation as an intervenor in this matter.

II. ORDER

A. The Commission Orders That:

1. The proposed effective date, July 27, 2014, of the tariff pages filed by Public Service Company of Colorado (Public Service), with Advice Letter No. 124-Steam, is suspended for 120 days through November 24, 2014, or until further order of the Commission.

2. The tariff pages filed by Public Service, with Advice Letter No. 124-Steam, will be set for hearing before an Administrative Law Judge (ALJ). The ALJ shall set a hearing date and establish other procedures by a separate decision.

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariff page(s), who desire to intervene and participate as a party in this proceeding shall file a motion to intervene with the Commission within 30 days after the mailing date of this Decision, and shall serve a copy of the motion on Public Service's attorney of record.

4. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
July 23, 2014.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners