

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14A-0818E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR AN ORDER APPROVING EXPENSES INCURRED FOR THE PERIOD JANUARY 2013 THROUGH DECEMBER 2013 THAT ARE RECOVERED THROUGH THE ELECTRIC COMMODITY ADJUSTMENT CLAUSE AND APPROVING THE CALCULATION OF 2013 SHORT TERM SALES MARGINS.

**RECOMMENDED DECISION OF
ADMINISTRATIVE LAW JUDGE
ROBERT I. GARVEY
GRANTING WITHDRAWAL OF INTERVENTION;
VACATING HEARING; AND GRANTING APPLICATION**

Mailed Date: November 14, 2014

I. STATEMENT

1. On August 1, 2014, Public Service Company of Colorado (Public Service or Company), filed a Verified Application that seeks Commission approval of the 2013 fuel, purchased energy, and purchased wheeling costs that Public Service collected through the Electric Commodity Adjustment (ECA) clause. That filing commenced this proceeding.

2. On August 4, 2014, the Commission issued its Notice of Application Filed (Notice). That Notice established an intervention period, which expired on September 3, 2014.

3. On September 2, 2014, Ms. Leslie Glustrom filed her Motion to Intervene.

4. On September 3, 2014, the Colorado Office of Consumer Counsel (OCC) filed its Notice of Intervention of Right, Entry of Appearance, and Request for Hearing. The OCC is an intervenor as of right and a party in this proceeding.

5. On September 10, 2014, by minute order, the Commission referred this matter to an Administrative Law Judge (ALJ).

6. On September 12, 2014, Public Service filed its Objection to Motion to Intervene of Leslie Glustrom.

7. By Decision No. R14-1139-I, issued on September 17, 2014, the intervention of Leslie Glustrom was denied and a prehearing conference was scheduled for October 2, 2014.

8. On October 29, 2014, the OCC filed its Withdrawal of Intervention and Request for Hearing (Withdrawal). In the Withdrawal the OCC states, after further consideration, it no longer wishes to intervene in the proceeding.

9. Upon its review of the ECA expenses and calculations the OCC did not identify any issues it wishes to pursue in the hearing process. As a result, the OCC wishes to withdraw its intervention and allow the applications to proceed as part of an uncontested proceeding.

10. The ALJ finds good cause to grant OCC's Motion to Withdraw. Since the Application is now unopposed, the matters will be considered pursuant to the Commission's modified procedure pursuant to § 40-6-109(5), C.R.S., and the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1-1403.

11. In accordance with § 40-6-109, C.R.S., the ALJ now transmits to the Commission the record in this proceeding along with a written recommended decision.

A. Application

12. The Application filed by Public Service is for approval of the fuel, purchased energy, and purchased wheeling expenses incurred from January 1, 2013 through December 31, 2013 that have been reflected in the Company's ECA. In addition, Public Service applied for

approval of the Company's calculation of the 2013 short-term sales margins that have been used to adjust the 2014 Electric Commodity Adjustment deferred balance.

13. The Company is asking the Commission to approve the 2013 fuel, purchased energy, and purchased wheeling costs that the Company collected through the ECA. The Application begins Commission Staff's annual audit of the prior year's ECA costs. Pursuant to the Settlement Agreement dated October 20, 2006 approved by the Commission in Proceeding No. 06S-234EG, the Company is required to file an application each August.

14. The Company requests that the Commission approve the Company's calculation of the 2013 short-term sales margins that have been credited to the 2014 ECA Deferred Balance. The Company requests that the Commission find that these margins have been determined in a way that conforms to the Company's tariffs, with the Settlement Agreements in Proceeding Nos. 06S-234EG and 11AL-947E, and with other pertinent Commission orders and settlement agreements, including the Stipulation and Settlement Agreement in Proceeding No. 04A-050E and Commission Decision No. C04-1208 (October 15, 2004), the Commission proceeding that reviewed the Company's electric commodity trading operations.

15. Public Service provided with the application, its electric department gas hedging cost documentation which reports the Company's hedging for power plant fuel for the period of May 1, 2013 through April 30, 2014.

16. Public Service filed the Direct Testimonies and Exhibits of Dolores R. Basquez, Scott E. Aaronson, and Jeffery D. Ishee. Ms. Basquez presented the Company's calculation of the 2013 ECA costs and the Company's calculation of the 2013 short-term sales margins. Mr. Aaronson provided information with respect to the 2013 internal trades and a breakdown of the 2013 Short Term Sales Costs as required by the Stipulation and Agreement in Proceeding

No. 02A-541E. Mr. Ishee and Mr. Aaronson provided information with respect to the 2013 through 2014 gas hedging costs as required by the settlement agreement in Proceeding No. 02S-315EG.

B. Findings

17. The ALJ finds that Public Service provided all the necessary data as required in the various settlement agreements in the several proceedings identified above.

18. The exhibits attached to the direct testimony of Public Service's witnesses comport with the filing requirements and contain all necessary data in which to determine whether to approve the expenses incurred during 2013 that were recovered through the ECA. In addition, Public Service provided the necessary data in order to consider approval of its short-term sales margins for 2013 that have been used to adjust the 2014 Electric Commodity Adjustment deferred balance.

19. As a result of the approval of OCC's withdrawal in the above captioned proceeding and the approval of the expenses incurred for the periods: January 1, 2013 through December 31, 2013 as well as approval of the calculations of the short-term sales margins for those same time periods, the procedural schedule in this matter, including the evidentiary hearing scheduled for January 7 and 8, 2015 are vacated.

20. In accordance with § 40-6-109, C.R.S., it is recommended that the Commission enter the following order.

II. ORDER

A. The Commission Orders That:

1. The Verified Application that seeks Commission approval for expenses incurred for the period January 1, 2013 through December 31, 2012 that are recovered through the

Electric Commodity Adjustment clause and calculation of 2013 short-term sales margins is granted.

2. The prehearing conference scheduled for December 19, 2014 is vacated.

3. The evidentiary hearing scheduled for January 7 and 8, 2015 is vacated.

4. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

5. As provided by § 40-6-106, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

6. Responses to exceptions shall be due within seven calendar days from the filing of exceptions.

7. If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the recommended decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

8. If a party seeks to amend, modify, annul, or reverse a basic finding of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge; and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

9. If exceptions to this Recommended Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ROBERT I. GARVEY

Administrative Law Judge

ATTEST: A TRUE COPY

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

Doug Dean,
Director