

Decision No. C16-0867-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 16A-0396E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF
COLORADO FOR APPROVAL OF ITS 2016 ELECTRIC RESOURCE PLAN.

**INTERIM DECISION ESTABLISHING
“PHASE I” PROCEDURAL SCHEDULE AND
ACKNOWLEDGING WAIVER OF DEADLINE FOR
DECISION PURSUANT TO § 40-6-109.5, C.R.S.**

Mailed Date: September 23, 2016

Adopted Date: September 21, 2016

I. BY THE COMMISSION

A. Statement

1. This Decision establishes a procedural schedule for the Commission’s consideration of the Electric Resource Plan (ERP) filed by Public Service Company of Colorado (Public Service or Company). **An evidentiary hearing in this matter is scheduled for February 1 through 3 and 6 through 8, 2017.**

B. Discussion

2. On May 27, 2016, Public Service filed its application for approval of the ERP. The filing initiated “Phase I” of this ERP proceeding.¹

¹ The ERP process includes two phases. In Phase I, the utility files a plan to acquire new utility resources and requests Commission approval of the plan. In Phase II, the Commission ultimately identifies the resource portfolios found to be in the public interest. In the beginning of Phase II, the utility modifies the components of its ERP to be consistent with the Commission’s Phase I order. The utility then implements the ERP by, for example, issuing requests for proposals, receiving bids and proposals, and evaluating them for potential selection within cost-effective resource portfolios.

3. Public Service proposes an eight-year resource acquisition period to meet a projected need of approximately 284 MW in 2022, which grows to a need of 615 MW in 2023. Public Service proposes a competitive, all-source solicitation to acquire resources to meet this future resource need.

4. Public Service explains that several factors will influence the mix and timing of the supply-side resources the Company eventually may acquire. These include: (1) historic low natural gas prices; (2) underutilized natural gas generation facilities in the region; (3) the extension of the federal production tax credit for new wind generation and the investment tax credit for new solar generation; (4) a downward sloping cost curve for solar generation; (5) enhancements to the distribution grid allowing for new grid related services; and (6) the U.S. Supreme Court's stay of the Environmental Protection Agency's proposed Clean Power Plan regulating carbon dioxide emissions from power plants.

5. Public Service also requests the Commission approve its ERP and the "accompanying assumptions and studies" incorporated within it. For example, the Company seeks approval of its solar integration cost study and its Solar Effective Load Carrying Capability study.

6. On September 2, 2016, we required Public Service to confer with the parties to develop a proposed procedural schedule for Phase I of its ERP.² In the event the Company and all parties reached consensus on a proposed procedural schedule, the Company was instructed to file the proposed schedule no later than September 13, 2016. We also noted that the ERP filing made no mention of Public Service's participation in either the Federal Energy

² Decision No. C16-0817-I, issued September 2, 2016, Proceeding No. 16A-0396E.

Regulatory Commission-approved Joint-Dispatch Agreement (JDA) or the proposed Mountain West Transmission Group (MWTG) transmission tariff changes, and we directed Public Service to make one or more filings that clarify the Company's position on the potential effects of the JDA and the MWTG transmission tariffs on its ERP. We further instructed the Company to address the deadline for a Commission decision on the application filed in this proceeding pursuant to § 40-6-109.5, C.R.S.

7. Public Service timely filed a proposed procedural schedule, stating that it conferred with the intervening parties and all indicated their approval of, or non-opposition to, the following:

- 1) Answer Testimony filed on December 9, 2016.
- 2) Rebuttal Testimony and Cross-Answer Testimony filed on January 17, 2017.
- 3) Hearings scheduled for February 1-3 and 6-8, 2017.
- 4) Statements of Position filed on February 17, 2017.

8. Public Service proposed to make a Supplemental Filing on September 16, 2016 addressing the JDA and MWTG transmission tariffs.³

9. With respect to discovery, the parties agreed to the following:
- 1) Responses to discovery directed at the Company's Direct Testimony are due within 10 days from the date of service
 - 2) The last day to serve discovery on Direct Testimony is December 9, 2016.
 - 3) Responses directed at Answer Testimony are due within 7 days from the date of service.
 - 4) The last day to serve discovery on Answer Testimony is January 17, 2017.
 - 5) Responses directed at Rebuttal Testimony and Cross-Answer Testimony are due within 5 days from the date of service.

³ The Company filed a response to Commission Decision No. C16-0817-I on September 16, 2016.

- 6) For purposes of calculating due dates, any discovery served on a party after 3 p.m. on a Friday shall be deemed to be submitted the following Monday, and the days of November 24, 2016; December 24, 2016; and January 1, 2017 shall not be counted.
- 7) A party responding to discovery shall provide all responses to an individual set of discovery in a single, combined document unless otherwise agreed to by the requesting and responding parties.
- 8) All discovery requests and their respective responses shall be served on all parties.

10. In order to allow for implementation of the procedural schedule, Public Service states that it waives the 210-day statutory timeline set forth in § 40-6-109.5, C.R.S.

C. Conclusions and Findings

11. We find the proposed schedule to be reasonable and adopt the proposed filing dates for Answer Testimony, Rebuttal Testimony, and Cross-Answer Testimony. We also adopt the proposed hearing dates, the deadline for filing post-hearing Statements of Position, and procedures for discovery.

12. By separate decision, we will establish deadlines, as necessary, for the filing of corrections to pre-filed testimony, prehearing motions, and a proposed order of witnesses for the hearings with estimated cross-examination times.

II. ORDER

A. It Is Ordered That:

1. Answer Testimony shall be filed no later than December 9, 2016.
2. Rebuttal Testimony and Cross-Answer Testimony shall be filed no later than January 17, 2017.

3. A hearing is scheduled in this matter as follows:

DATES: February 1 through 3, 2017

February 6 through 8, 2017

TIMES: 9:00 a.m. to 5:00 p.m. (February 2, 3, 6, and 7, 2017)
10:30 a.m. to 5:00 p.m. (February 1 and 8, 2017)

PLACE: Hearing Room
Colorado Public Utilities Commission
1560 Broadway, Suite 250
Denver, Colorado

4. Post-hearing Statements of Position shall be filed no later than February 17, 2017.

5. Discovery shall be conducted in accordance with 4 *Code of Colorado Regulations* 723-1-1405 of the Commission's Rules of Practice and Procedure, unless modified by this Decision, consistent with the discussion above. Responses to discovery directed at Direct Testimony shall be provided within ten days, responses to discovery directed at Answer Testimony shall be provided within seven days, and responses to discovery directed at Rebuttal Testimony and Cross-Answer Testimony shall be provided within 5 days.

6. The waiver by Public Service Company of Colorado of the statutory 210-day timeframe for a final Commission decision in this matter is acknowledged.

7. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
September 21, 2016.**

(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

GLENN A. VAAD

FRANCES A. KONCILJA

Commissioners