

Decision No. C22-0729

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22A-0447E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR AN ORDER APPROVING CERTAIN UPDATED COMPONENTS USED TO CALCULATE THE ELECTRIC COMMODITY ADJUSTMENT.

COMMISSION DECISION GRANTING APPLICATION

Mailed Date: November 18, 2022
Adopted Date: November 16, 2022

I. BY THE COMMISSION

A. Statement

1. This matter now comes before the Commission for consideration of a Verified Application for Approval of Updated Components Related to the Calculation of the Electric Commodity Adjustment (Application) filed on October 17 2022, by Public Service Company of Colorado (Public Service or Company). Public Service also requested a shortened notice and response time within its Application, which the Commission previously granted in Decision No. C22-0621-I issued October 19, 2022.

B. Findings

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

3. No petition to intervene or otherwise participate in this proceeding was timely filed. This proceeding is therefore uncontested. Pursuant to § 40-6-109(5), C.R.S., this matter may be determined without a hearing.

4. In its Application, Public Service seeks Commission approval of certain updated components related to the calculation of its quarterly Electric Commodity Adjustment (ECA). It is not proposing to put into effect new ECA rates. The Company states it will file its quarterly Application to update the ECA factors effective January 1, 2023 on or about November 30, 2022.

5. The Settlement Agreement approved by the Commission in Decision No. C06-1379, Proceeding No. 06S-234EG on December 1, 2006, requires Public Service to file, every November, its projections for the quarterly ECA for each calendar quarter of the upcoming year. By Decision No. C09-1446, issued in Proceeding No. 09AL-299E on December 24, 2009; Decision No. C12-0494, Proceeding No. 11AL-947E, on May 9, 2012; and Decision No. C15-0292, Proceeding No. 14AL-0660E, on March 31, 2015, the Commission modified the ECA in certain respects. Pursuant to Commission Decision No. C16-1075, Proceeding Nos. 16A-0055E, 16A-0139E and 16AL-0048E, the Commission approved cost recovery of the Renewable*Connect Credit (R*C Credit) paid to subscribers through the ECA mechanism. Pursuant to Commission Decision No. C20-0095 as modified by Decision No. C20-0505, Proceeding No. 19AL-0268E, the Commission approved the cost recovery of the Rush Creek Wind Project (Rush Creek) through base rates, which were previously recovered through the ECA¹

¹¹ Pursuant to Commission Decision No. C16-0958 in Consolidated Proceeding Nos. 16A-0117E and 16V-0314E.

and the Renewable Energy Standard Adjustment (RESA). Therefore, the only cost recovery associated with Rush Creek that remain in the ECA are the Production Tax Credits (PTCs) and capital cost sharing provisions. In addition, pursuant to Commission Decision No. C19-0367, Proceeding No. 18A-0905E, the Commission approved cost recovery of the Cheyenne Ridge Wind Project including earnings associated with deferred tax assets (DTAs), subject to an annual DTA cap, through the ECA and RESA until such a time that Cheyenne Ridge costs are rolled into base rates. Public Service states that it is filing its projections of fuel, purchased energy, and purchased wheeling, as well as updated ECA deferred balances and Rush Creek Project costs for each quarter of calendar year 2023 with this Application, to be updated at least 30 days prior to the commencement of each 2023 calendar quarter.

6. Public Service contends that certain components of the ECA calculation are only updated annually rather than quarterly. Public Service proposes to utilize annual updates for the following components: the projected jurisdictional allocation factor; projected sales; the on/off peak price ratio; and the class specific on-peak ratios. The Commission agrees that utilizing the annual updates to these components is appropriate.

7. The Commission reviewed the data provided by the Company and its calculation method for the quarterly components of the 2023 ECA factors. The Commission finds that the calculation method is in compliance with Decision Nos. C06-1379, C09-1446, C12-0494, C15-0292, C16-0958, C16-1075, and C20-0096 as modified by C20-0505. The Commission also finds good cause to approve the line items as requested by Public Service.

8. The Commission finds good cause to grant the Application.

II. ORDER

A. The Commission Orders That:

1. The Verified Application for Approval of Updated Components Related to the Calculation of the Electric Commodity Adjustment (ECA) filed on October 17, 2022 by Public Service Company of Colorado (Company) is deemed complete and is granted.

2. The Commission approves the use of the annual updates to: (1) the projected jurisdictional allocation factor; (2) projected sales; (3) the on/off peak price ratio; and (4) the class specific on-peak ratios in the calculation of the quarterly components of the ECA factors.

3. The Commission approves the calculation method of the quarterly components of the 2022 ECA factors and the line items requested by the Company.

4. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration, begins on the first day following the effective date of this Decision.

5. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
November 16, 2022.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

JOHN GAVAN

MEGAN M. GILMAN

Commissioners