

Decision No. C25-0203-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0547E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2025-2029 DISTRIBUTION SYSTEM PLAN AND THE GRID MODERNIZATION ADJUSTMENT CLAUSE.

**INTERIM COMMISSION DECISION
VACATING PRE-HEARING CONFERENCE SCHEDULED
BY DECISION NO. C25-0154-I FOR MARCH 20, 2025,
ADDRESSING MOTION FOR PARTIAL VARIANCE
FROM COMMISSION DECISION NO. C25-0154-I; AND
REQUEST FOR WAIVER OF RESPONSE TIME**

Issued Date: March 19, 2025

Adopted Date: March 19, 2025

I. BY THE COMMISSION

A. Statement

1. This Decision vacates the pre-hearing conference scheduled by Decision No. C25-0154-I in the Application of Public Service Company of Colorado (“Public Service” or the “Company”) for Approval of its 2025-2029 Distribution System Plan (“DSP”) and Grid Modernization Adjustment Clause (“GMAC”) (“Application”), filed on December 16, 2024.

2. This decision also addresses and provides additional guidance regarding the Motion for Partial Variance from Commission Decision No. C25-0154-I and Request for Waiver of Response Time (“Variance Motion”).

3. We set response time to Monday, March 24, 2025, by noon for responses consistent with the discussion below.¹

B. Discussion

4. Through Decision No. C25-0154-I, the Commission deemed the Application complete and granted the requests for permissive intervention filed by Colorado Energy Consumers Group (“CEC”); the City and County of Denver (“Denver”); the Interstate Renewable Energy Council (“IREC”); Pivot Energy Inc. (“Pivot”); the Eastern Metro Area Business Coalition (the “Eastern Metro Area Business Coalition”); the City of Boulder (“Boulder”); Holy Cross Electric Association Inc. (“Holy Cross”); Western Resource Advocates (“WRA”); Tesla, Inc. (“Tesla”); the Southwest Energy Efficiency Project and Natural Resource Defense Counsel, jointly (“SWEEP/NRDC”); Mission:data Coalition, Inc. (“Mission:data”); and filing jointly, the Colorado Solar and Storage Association (“COSSA”) the Solar Energy Industries Association (“SEIA”) the Coalition for Community Solar Access (“CCSA”) and the Advanced Energy United (“AEU”) (jointly the “Associations for Clean Energy,” or “ACE”), and acknowledged the notices of intervention of right filed by Trial Staff of the Commission (“Staff”), the Office of the Utility Consumer Advocate (“UCA”), and the Colorado Energy Office (“CEO”).

5. Decision No. C25-0154-I also directed Public Service to file a proposed consolidated procedural schedule no later than March 14, 2025, that also addresses the Company’s Application for Approval of an Aggregated Virtual Power Plant (“AVPP”) filed by Public Service on February 3, 2025 (Proceeding No. 25A-0061E or “VPP Proceeding”). The decision also

¹ At the March 19, 2025 Commissioners’ Weekly Meeting, the Commission also deliberated upon the pending Omnibus Motion filed by Public Service in this Proceeding; those deliberations will be memorialized by a separate order.

scheduled a pre-hearing conference for March 20, 2025, at 9:00 a.m. in both the VPP Proceeding and this Proceeding.

6. By Decision No. C25-0154-I, the Commission ordered Public Service to file supplemental direct no later than March 21, 2025, regarding numerous topics.

7. On March 14, 2025, the Commission received the Conferral Report from Public Service in this Proceeding as well as in Proceeding No. 25A-0061E.

8. Also on March 12, 2025, the Commission received the Variance Motion from the Company. In its motion, the Company requests a variance from the supplemental direct requirements in Paragraphs 65(c)(ii)-(iv) and 65(d)(ii)-(v) of Decision No. C25-0154-I, both of which request that the Company update its distribution planning models based on varying assumptions pertaining to load management and the Company's planning threshold for feeder capacity. The Company also requests response time to the motion be waived since the supplemental direct deadline is March 21, 2025. The Company indicates that Staff, CEC, and UCA each oppose and reserve the right to respond.

9. The Company claims it cannot provide the supplemental modeling based on the features and limitations of LoadSEER application, including because:

- a. The Company only runs a single version of LoadSEER for which it uses to both manage its system on a daily basis and conduct the DSP planning exercise;
- b. The LoadSEER model is "continuously" adjusting and updating the assumptions on a real-time basis to "to ensure that the model remains as accurate and up-to-date as possible" and therefore earlier iterations are no longer available;
- c. The planning process is highly manual; and

- d. In order to satisfy the Commissions Supplemental Modeling directives, the Company estimates that it would take a minimum of five incremental months to complete the required forecasting updates, rerun the risk analysis, reevaluate all of the distribution capacity projects within the five-year distribution plan and develop new projects based on such modeling, making it infeasible under any scenario to complete the exercise within the timelines of this case.

10. The Company proposes an alternative proposal in which the Company would manually reanalyze the need for the following seven proposed distribution capacity projects over the 10-year forecasting window and for 2030, 2035, 2040, and 2045 using revised residential load shapes consistent with the request contained in Paragraphs 65(c)(ii)-(iv) and 65(d)(ii)-(v) of Decision No. C25-0154-I: The Buckley TR3 bank and feeder project planned for in the Southeast Metro region; The Harrison TR3 feeder project planned for the Denver Metro region; The Sunshine TR2 bank and feeder project planned for the Boulder region; The Fitzsimons TR3 feeder project planned for the Gateway region; The Cloverly TR2 bank and feeder project planned for the Greeley region; The New Barker Substation bank, feeder, and network project planned for the Denver Metro region; and The Windsor TR3 bank and feeder project planned for the Northern region.

11. The Company claims these projects support a variety of types and uses, including residential, community solar gardens, and industrial uses, and span several planning regions across the Company's service territory, including urban, rural and suburban areas. However, the Company notes that "the complexity of the system cannot fully be represented by this subset of projects, and the Company urges caution in extrapolating the results of this analysis more broadly." The Company will also provide a discussion of whether and to what extent the use of the 85 percent and 95 percent Commission requested load limits, rather than 75 percent, would partially influence the timing and need for the seven projects using both the Company's load curves and the modified

residential load curves described in paragraph 64(c)(ii), but would only address N-0 risks. The Company proposes to provide this analysis by April 30, 2025.

C. Findings and Conclusions

12. At the March 19, 2025, Commissioners' Weekly Meeting, the Commission discussed the Company's request to modify the requirements for supplemental direct. We recognize that the LoadSEER is a large and extensive model, and requires significant time and labor hours to run. We continue to see the value the analysis required by Decision No. C25-0154-I, but acknowledge the timing constraints caused by the LoadSEER model limitations. Accordingly, we find good cause to retract our questions in Paragraph 65(d)(ii)-(v) of Decision C25-0154-I.² We note that retracting this request will eliminate four capital expansion plan exercises from what the Commission had previously requested. However, we retain significant concerns with respect to (1) the Company's load shape projections with respect to EV charging and water and space heating and (2) projections of energy sales growth as currently embedded in the LoadSEER model. We find that focusing on an additional future planning scenario and associated investments, consistent with § 40-2-132.5(5)(c)(I), C.R.S., is the best use of resources and time in this Proceeding. We also note that the Company's DSP application incorporates a single run of the LoadSEER model thus testing only those assumptions we find potentially troubling. We recognize the Kevala runs may be illuminating, but note that the LoadSEER is the critical tool by which the Company bases billions dollars of investment on. Accordingly, we

² Decision No. C25-0154-I at ¶ 65(d):

ii. Please redo the capital spending forecast contained in this Proceeding to assume this 75 percent constraint is relaxed under two additional scenarios, one where the constraint was raised to 85 percent and a second where it was 95 percent of applicable equipment loadings.

iii. Please conduct the same two runs (85 percent and 95 percent) with the flattened new residential 8760 load forecast as discussed above. iv. Please also identify the individual projects in each planning region identified in Mr. Mino's testimony (Hearing Exhibit 105, pages 45-88), that are no longer needed under these scenarios.

v. Please present as a revised narrative similar to Mr. Mino's testimony (Hearing Exhibit 105, pages 45-88).

anticipate requiring the Company to focus on developing the analysis required by Paragraph 65(c)(iii) and (iv) as soon as possible.³ To clarify, the questions in Paragraph 65(c)(iii-iv) require the Company to develop a revised capital expansion plan based on the same general demand assumptions required in the “Lower Low” JTS Scenario and a flattened load shape as laid out in our prior SDT order. We believe this request is generally supported by the statute which says, as part of a distribution system plan proceeding, a qualifying retail utility shall present at least 2 future planning scenarios with corresponding investments to show different future states of the distribution system.

13. Regarding the Variance Motion, we find that modifying the supplemental direct directives as discussed above in Paragraphs 65(c)(ii)-(iv) and 65(d)(ii)-(v) of Decision No. C25-0154-I is likely in the public interest, but find that we need more information regarding the Company’s timeline to comply with the modified request. To that end, we order the Company to provide by noon on Monday, March 24, 2025, a response regarding its anticipated timeline for complying with the modified supplemental direct as discussed above. Please provide a response as to what, if any, modifications would be needed to the proposed procedural schedule presented in the Conferral Report to accommodate this.

³ Decision No. C25-0154-I at ¶ 65(c):

ii. Please develop a new residential 8760 load forecast for 2030, 2035, 2040, 2045 with the following modifications: a. Currently, the Company assumes 45-85 percent of residential electric vehicle (“EVs”) (depending on the year) charge primarily in the evening (6 p.m.-12 a.m.), contributing to a high evening peak around 10 p.m. on the days of highest demand. Please provide an alternative residential 8760 load forecast in which the Company assumes that in all forecast years, 90 percent of EV charging follows the “Managed (Future) load curve” shown in Figure 30 of Hearing Exhibit 105, Att. DCM-9. b. Please also model the alternative load shape scenario to flatten out the water heating/beneficial electrification demand, assuming the Company can effectively control when water heaters and other loads charge on peak demand days. Please develop a per unit load shape that optimizes residential water heater usage to flatten the peaks each day in all forecast years and incorporate it into the new residential 8760 load forecast.

iii. Please re-run the distribution capacity expansion model using the flattened new residential 8760 load forecast discussed above. Please identify the individual projects in each planning region identified in Mr. Mino’s testimony (Hearing Exhibit 105, pages 45-88), that are projected to be no longer needed under this scenario.

iv. Please present as a revised narrative similar to Mr. Mino’s testimony (Hearing Exhibit 105, pages 45-88) to explain the impact of this analysis and the Company’s interpretation of this data.

14. We recognize that the required remaining analysis will take some time to complete. However, at this juncture, we are uncertain if the full five-month evaluation period referenced by the Company is still necessary. We also note that it is our strong desire to minimize any impact retaining this requirement may have on the procedural aspect of this case as well as the VPP Proceeding, if the two are ultimately consolidated. Accordingly, we direct the Company to indicate if the analysis period could be shortened, and to confer once again with the DSP and VPP parties, to the extent possible on the abbreviated timeframe, on what changes would be needed to the schedule presented in the Conferral Report.

15. The Commission is confident that it has sufficient knowledge of the respective positions of the parties in this Proceeding and therefore does not need additional information that would be received at a pre-hearing conference. In addition, due to pending motions in this Proceeding, the Commission is not yet able to set a procedural schedule or confirm whether consolidation of these proceedings would be appropriate.

16. At this time, we find that a pre-hearing conference on March 20, 2025, is no longer necessary. If any procedural issues arise, we will address them through separate order or a re-scheduled pre-hearing conference. The Commission will issue a procedural schedule for this Proceeding by separate order.

II. ORDER

A. The Commission Orders That:

1. The pre-hearing conference scheduled for Thursday, March 20, 2025, in this matter is vacated, consistent with the discussion above.

2. All responses consistent with the discussion above shall be received by Monday, March 24, 2025, at noon.

3. This Decision is effective immediately upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
March 19, 2025.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners