

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21A-0141E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2021 ELECTRIC RESOURCE PLAN AND CLEAN ENERGY PLAN.

**INTERIM COMMISSION DECISION GRANTING
MOTION TO APPROVE SELECTION OF INDEPENDENT
AUDITOR**

Issued Date: May 14, 2025
Adopted Date: May 7, 2025

I. BY THE COMMISSION

A. Statement

1. Through this Decision, we grant the Motion to Approve the Independent Auditor (“Motion”) that Public Service Company of Colorado (“Public Service” or the “Company”) filed on April 15, 2025.

B. Discussion

2. On January 14, 2025, the Commission issued Decision No. C25-0024, granting, in part, and denying, in part, the Clean Energy Plan (“CEP”) Delivery Motion. In Decision No. C25-0024, the Commission approved, among other things, a process by which developers could seek price relief based on changes of federal law. This was intended to encourage developers to move forward with projects even though future tariffs or changes to tax credits might impact the projects’ financials.¹ As part of this price-relief process, an Independent Auditor (“IA”) would

¹ Decision No. C25-0024, issued January 14, 2025, ¶ 72.

independently analyze the documentation provided by various developers and produce initial determinations as to whether the requested price modifications were appropriate. We further noted that the methodology underlying these IA determinations should be consistent across all relevant projects, regardless of technology or ownership type.²

3. To ensure the IA is ready and available if and when needed, we directed Public Service to submit a motion to approve the proposed IA together with an IA scope of work no later than March 31, 2025. The Company was further directed to confer with Trial Staff of the Commission (“Staff”) and the Colorado Office of the Utility Commission Advocate (“UCA”).³

4. On March 31, 2025, Public Service filed an Unopposed Motion for a Variance from Paragraph 74 of Decision No. C25-0024 Regarding the Deadline to File a Motion to Approve the IA (“Unopposed Motion”). In the Unopposed Motion, Public Service requested a two-week extension of time to file the motion for approval of the IA, until April 15, 2025. Public Service argued this short extension would not materially delay the price-relief process or prejudice any party or IPP.

5. In Decision No. C25-0277-I,⁴ the Commission granted the Unopposed Motion. The Commission directed Public Service to file a motion to approve the proposed independent auditor together with scope of work no later than April 15, 2025.

6. In the current Motion, the Company requests the Commission approve the IA and associated scope of work for Stage 2 price relief. In addition, Public Service asks authorization to recover costs associated with the IA through the Electric Commodity Adjustment (“ECA”).

² Decision No. C25-0024, ¶ 73.

³ Decision No. C25-0024, ¶ 74.

⁴ Issued April 11, 2025.

7. The Company specifically proposes Anthony Caletka, PE, CCM, CFCC, a principal at Price Waterhouse Cooper (“PwC”) and an associated team of other professionals as the preferred IA. Public Service represents that Mr. Caletka has several decades of engineering, risk assessment, and contracting experience based on his work in the energy sector, including with utilities and independent power producers. Additionally, the PwC team will supplement Mr. Caletka’s experience. The Company argues that the IA team’s collective experience “positions them well to understand the financial planning, project management, and engineering required to review and verify that project developers – including the Company – that are subject to Component 1, Stage 2 meet the expectations for price adjustment approved by the Commission.”⁵

8. Along with the proposed selection of Mr. Caletka and the PwC team as the IA, Public Service includes with the Motion a scope of work. The scope of work calls for two primary deliverables. First, the IA will produce an Executive Summary Independent Assessment Report that aggregates the IA’s observations and findings regarding the bidders’ requested cost escalations. The report will outline an objective assessment by project and define criteria for the evaluation of whether the requested cost escalations are justified, partially justified, or not justified. The scope of work contemplates that Public Service will ultimately file this Executive Summary Independent Assessment Report with the Commission. The second deliverable is an Independent Assessment Report that will detail the observations, findings, and workpapers referenced in the Executive Summary Independent Assessment Report. The IA will provide this Independent Assessment Report to Public Service.⁶

⁵ Motion, p. 4.

⁶ Motion, Attachment A, p. 5.

9. In the Motion, Public Service represents that it conferred with both Staff and UCA and neither opposes the selected IA or the proposed scope of work.

10. As for the Company's request to recover costs associated with the IA through the ECA, Public Service explains that it would include costs in the quarterly ECAs for actual costs incurred by the IA. These costs would then be recovered in the next quarter's ECA rate. The recovered costs would be subject to review in future ECA annual prudence reviews with any true-ups effective in the next quarterly ECA. Public Service argues this cost recovery approach is similar to the approach used for the Independent Evaluator, which further illustrates its reasonableness.⁷

11. As with the selection of the IA and the scope of work, Public Service states that neither Staff nor UCA opposes the cost recovery approach for the IA.

12. In the motion, Public Service asserts it conferred with all parties to this Proceeding regarding the Motion and, of the parties that responded, no party opposed the requested relief.⁸ Indeed, no party has filed a response to the Company's Motion, and the time for doing so has passed.

13. For the reasons set forth in the Public Service's Motion, which appears to be unopposed, the Commission grants the Motion and approves Mr. Caletka and the PwC team as the IA. We further approve the associated scope of work set forth in Attachment A to the Motion, as well as the Company's proposal to recover IA-associated costs through the ECA.

14. It is our hope and expectation that these approvals will help effectuate the Step 2 price-relief process set forth in Decision No. C25-0024. As we noted in Decision No. C25-0024,

⁷ Motion, p. 4.

⁸ Motion, p. 2.

the concept of a Stage 2 price-relief process to address changes in law have widespread party support and appears to be critical for most, if not all of, clean energy projects. The appointment of an IA should help ensure that any Stage 2 price-relief process can proceed fairly and efficiently.

II. ORDER

A. It Is Ordered That:

1. The Motion to Approve the Independent Auditor that Public Service Company of Colorado filed on April 15, 2025, is granted.

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

B. **ADOPTED IN COMMISSIONERS' WEEKLY MEETING May 7, 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