

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25A-0144G

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2024 GAS DEMAND-SIDE MANAGEMENT BONUS.

**COMMISSION DECISION DEEMING APPLICATION
COMPLETE AND GRANTING APPLICATION**

Issued Date: June 24, 2025
Adopted Date: May 7, 2025

I. BY THE COMMISSION

A. Statement

1. On April 1, 2025, Public Service Company of Colorado (“Public Service” or the “Company”) filed an Application with the Colorado Public Utilities Commission (“Commission”) for approval of its 2024 Gas Demand-Side Management Bonus (“Gas DSM Bonus”) and Acknowledgement of Lost Revenues (“ALR”), to become effective July 1, 2025, and reflected in the Company’s Gas Demand Side Management Cost Adjustment (“DSMCA-G”).

B. Procedural History

2. The Application is filed pursuant to Commission Rules 4752(c), 4752(d), and 4760, of the Rules Regulating Gas Utilities,⁴ *Code Colorado Regulation* (“CCR”) 723-4, and is procedurally governed by Rules 1303 and 1403 of the Rules of Practice and Procedure, 4 CCR 723-1.

3. Public Service’s application reflects the performance results under its 2023 Demand Side Management (“DSM”) and Beneficial Electrification Plan, approved by the

Commission in Decision No. C23-0381 (Proceeding No. 22A-0315EG). The 2023 DSM and Beneficial Electrification Plan governed the Company's DSM activities throughout calendar year 2024.

4. As stated in Public Service's application, the Company's actual 2024 gas DSM portfolio expenditures totaled \$29,791,002.

5. Pursuant to Rule 4760(g), the Gas DSM Bonus is capped at the lesser of 25 percent of total DSM expenditures or 20 percent of net economic benefits. The Company has calculated a DSM Bonus of \$1,640,786 and ALR in the amount of \$2,621,904, resulting in a total award request of \$4,262,690 for 2024.

6. The Company included comprehensive Evaluation, Measurement, and Verification (EM&V) documentation in its Application, consistent with Rule 4755, verifying that the claimed savings and economic benefits are accurately calculated and confirmed through third-party validation.

7. No party intervened or protested the Application within the statutory period, nor were any public comments received opposing the Application.

C. Discussion

8. In 2024, Public Service's Gas DSM portfolio achieved verified gas savings totaling 821,301 dekatherms (Dth), approximately 91.4 percent of the annual savings goal of 898,487 Dth established under the 2023 DSM Plan. These DSM activities resulted in verified net economic benefits of approximately \$36.2 million.

9. Overall, the Company's Gas DSM Portfolio yielded a 1.26 MTRC ratio,¹ indicating that DSM expenditures provided positive net economic benefits to ratepayers.

10. The Commission notes that while the Clean Heat Plan ("CHP") and DSM alignment requirements were established in Proceeding No. 23A-0589EG (Decision No. C24-0671 and Decision No. C24-0808), CHP implementation did not occur until January 1, 2025. Thus, this Application properly excludes any CHP-related savings or expenditures. There is no overlap in funding or savings attribution between CHP and the 2024 DSM Bonus.

11. The Commission Staff has reviewed the Company's application, supporting documentation, and calculations, and has confirmed their accuracy and compliance with applicable gas DSM rules and Commission decisions.

II. ORDER

A. The Commission Orders That:

1. The Application filed by Public Service Company of Colorado on April 1, 2025, seeking approval of its 2024 Gas Demand-Side Management Bonus and Acknowledgement of Lost Revenues totaling \$4,262,690 is deemed complete and granted as described above.

2. This Decision shall be reflected in Public Service Company of Colorado's Gas Demand-Side Management Cost Adjustment and will be effective July 1, 2025.

3. The 20-day period provided by § 40-6-114, C.R.S., to file an Application for Rehearing, Reargument, or Reconsideration shall begin on the first day after the effective date of this Decision.

¹ The Modified Total Resource Cost (MTRC) test measures the net costs of a demand-side management program as a resource option based on the total costs of the program, including both the participants' and the utility's costs.

4. This Decision is effective 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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Commissioners