

Decision No. C25-0535

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24AL-0377E

IN THE MATTER OF ADVICE NO. 1960 - ELECTRIC FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO REVISE ITS COLORADO P.U.C. NO. 8 - ELECTRIC TARIFF TO MODIFY TIME-OF-USE ("TOU") TARIFFS FOR ELECTRIC SERVICE, INCLUDING TOU PERIODS AND ASSOCIATED TOU RATES AND CHARGES, TO BECOME EFFECTIVE OCTOBER 4, 2024.

**COMMISSION DECISION DENYING APPLICATION
FOR REHEARING, REARGUMENT, OR
RECONSIDERATION OF DECISION NO. C25-0415**

Issued Date: July 23, 2025

Adopted Date: July 16, 2025

I. BY THE COMMISSION

A. Statement

1. On September 3, 2024, Public Service Company of Colorado ("Public Service" or the "Company") filed Advice Letter No. 1960-Electric ("AL 1960") to modify its time-of-use ("TOU") rate schedules.

2. By Decision No. C24-0662, issued on September 12, 2024, the Commission set the TOU tariff sheets filed with the advice letter for hearing and suspended their effective date by 120 days pursuant to § 40-6-111(1), C.R.S.

3. By Decision No. C24-0764-I, the Commission scheduled an *en banc* evidentiary hearing for January 13-15, 2025, and established parties to this Proceeding.¹

4. An evidentiary hearing was held before the Commission *en banc* on January 13 and 14, 2025.

5. The Commission deliberated at its February 19, 2025, and April 9, 2025 Commissioners' Weekly Meetings ("CWM").

6. By Decision No. C25-0278-I, issued on April 11, 2025, the Commission directed Public Service to file the same tariff sheets filed with AL 1960 but updated to reflect the Commission's oral deliberations at its February 9, 2025 CWM. The Company was also directed to file information supporting the calculation of the new TOU rates.

7. On April 25, 2025, Public Service filed updated tariff sheets and supporting calculations in accordance with Decision No. C25-0278-I.

8. By Decision No. C25-0415, issued June 3, 2025, the Commission permanently suspended the tariff sheets filed with AL 1960 and established new TOU base rates for Public Service's electric customers.

9. On June 23, 2025, Public Service, UCA, and EOC ("Joint Movants") jointly filed an application for rehearing, reargument, and reconsideration ("RRR") of Decision No. C24-0415. The Joint Movants request the Commission modify the On-Peak to Off-Peak price ratios for the winter season for the Residential ("Schedule RE-TOU") and Small Commercial ("Schedule C-TOU") rate classes.

¹ Parties to this Proceeding are Public Service; Trial Staff of the Colorado Public Utilities Commission ("Staff"); the Colorado Office of the Utility Consumer Advocates ("UCA"); the Kroger Co. ("Kroger"); the City of Boulder ("Boulder"); Colorado Solar and Storage Association and Solar Energy Industries Association ("COSSA/SEIA"); Energy Outreach Colorado ("EOC"); Western Resource Advocates ("WRA"); and the Colorado Renewable Energy Society ("CRES").

10. On July 1, 2025, Staff filed a Motion for Leave to Respond to RRR and Request for Shortened Response Time (“Motion”), citing Commission Rule 1506(b), 4 *Code of Colorado Regulations* 723-1, and asserting Joint Movants’ RRR raises material facts and issues for the first time which Staff could not have addressed during the Proceeding.

11. By Decision No. C25-0512-I, issued on July 10, 2025, the Commission granted the Motion.

12. On July 11, 2025, Staff filed its Response to the Joint Movants RRR (“Response”). Staff encourages the Commission to reject the proposed modifications to the TOU price ratios for the Residential and Small Commercial rate classes.

B. Joint Movants’ RRR

13. The Joint Movants request the Commission modify its decision to approve a 2.7:1 year-round price ratio between On-Peak period rates and Off-Peak period rates² and approve instead a winter season³ price ratio of 1.56:1 for residential customers and 1.7:1 for small commercial customers.

14. The Joint Movants contend that the modified winter price ratio results in winter TOU rates that are similar to those currently in effect. The 2.7:1 price ratio as approved by the Commission will lead to an increase of some 40 percent rate increase for residential customers and nearly a 50 percent rate increase for small commercial customers during the winter months over current rates. In contrast, the price ratios proposed in RRR result in a rate decrease of 7 percent for residential customers and an increase of 8 percent for small commercial customers, while remaining revenue neutral.

² Decision No. C25-0415 at ¶ 105.

³ Summer months are June 1 through September 30, and winter months are October 1 through May 31.

15. According to the Joint Movants, rate increases could lead to customers questioning the TOU rate schedule, taxing the Company's outreach and education efforts to assure customers that the TOU change is not intended to increase bills but rather to establish new load shift parameters that can generate additional savings. The Joint Movants also warn that customers might also begin to opt out of the TOU rate schedules, potentially limiting the beneficial load shift the rates are intended to encourage.

16. Noting that the new On-Peak period has shifted to 5:00 p.m. to 9:00 p.m., generating substantial customer concerns as expressed through public comments, the Joint Movants suggest that a modification of the price ratio for the winter season would alleviate some of the concerns voiced by customers.

17. The Joint Movants also state that modifying the price ratios as proposed is in line with the record in this Proceeding, which indicates the summer season is the current peaking and major net load season. They note that the winter season is not expected to become the major net load season until around 2028.

C. Staff's Response

18. Staff urges the Commission to reject the Joint Movants' proposal. Staff notes that the Commission explicitly ordered that the residential and small commercial classes have the same price ratio and contends the Joint Movants fail to provide any evidentiary basis for the Commission to reverse its decision. Additionally, Staff notes, the Joint Movants do not argue that the Commission's decision on price ratios is in error or is unlawful.

19. Staff argues the Joint Movants' proposed winter price ratios are raised for the first time here in RRR and, as such, are material facts that Staff could not have addressed during the Proceeding. Staff further contends that it is procedurally improper for the Joint Movants to include

in their RRR a rate analysis based on what the Company offered in its compliance filing because this is outside the evidentiary record and intervenors have not had the opportunity to evaluate the analysis. Staff contends that the Joint Movants fail to provide evidentiary basis or explanation for the proposed price ratios.

20. Staff also rejects the Joint Movants' argument that outreach and education will be more difficult with a large winter on-peak rate increase and may lead to more customer opt-outs. Staff argues that the concern of increased opt-outs was not raised by any party during the course of the Proceeding and the Company's witness addressing customer outreach never addressed the issue of price ratios.

D. Findings and Conclusions

21. We agree with Staff that the Joint Movants fail to provide a compelling argument based in the record of this Proceeding as to why the decision to maintain the 2.7:1 On-Peak to Off-Peak price ratio for both Schedule RE-TOU and Schedule C-TOU should be modified. We also agree that neither the Commission nor the intervenors have had an opportunity to review the proposed price ratios and that the record is closed, precluding the introduction of new evidence.

22. While customers might have concerns regarding increase rates in the winter season, we expect that the Company's outreach and education efforts will provide sufficient support for customers to understand their bills and how the TOU rates can be managed.

II. ORDER

A. The Commission Orders That:

1. The Joint Application for Rehearing, Reargument, or Reconsideration of Decision No. C25-0415 filed jointly by Public Service Company of Colorado, the Utility Consumer

Advocate, and Energy Outreach Colorado on June 23, 2025, is denied, consistent with the discussion above.

2. The 20-day period provided for in § 40-6-114, C.R.S., within which to file an Application for Rehearing, Reargument, or Reconsideration, begins on the first day following the effective date of this Decision.

3. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
July 16, 2025.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners