

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0327E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR AN ORDER APPROVING EXPENSES INCURRED FOR THE PERIOD JANUARY 2023 THROUGH DECEMBER 2023 THAT ARE RECOVERED THROUGH THE ELECTRIC COMMODITY ADJUSTMENT AND PURCHASED CAPACITY COSTS RECOVERED THROUGH THE PURCHASED CAPACITY COST ADJUSTMENT FOR THE SAME PERIOD AND APPROVING THE CALCULATION OF 2023 SHORT TERM SALES MARGINS.

**INTERIM COMMISSION DECISION GRANTING
MOTION FOR TEMPORARY VARIANCE**

Issued Date: July 25, 2025

Adopted Date: July 16, 2025

I. BY THE COMMISSION

A. Statement

1. In this Proceeding, Public Service Company of Colorado (“Public Service” or the “Company”) sought approval to recover approximately \$755 million in fuel and energy costs for calendar year 2023 through the Electric Commodity Adjustment (“ECA”), \$84 million in purchased capacity costs through the Purchased Capacity Cost Adjustment (“PCCA”), as well as gas hedging costs and short-term sales margins. In Decision No. R25-0176, the Administrative Law Judge (“ALJ”) who heard the case approved, with modifications, a non-unanimous settlement agreement between Public Service and Trial Staff of the Commission (“Trial Staff”) and rejected the Office of the Utility Consumer Advocate’s (“UCA”) recommendation for disallowances totaling approximately \$3.65 million based on claims of uneconomic dispatch.

2. The Settlement Agreement approved by Decision No. R24-0176 included a requirement that for the 2024 ECA/PCCA Prudence Review the Company provide information regarding unit operations and any additional payment refunds, liquidated damages, or other compensation associated with the outages at the Brush 1-3 and Brush 4 facilities in 2023 and 2024, and to explain how those funds were credited to customers.¹

3. Decision No. R25-0176 also included the requirement that the Company provide in future ECA/PCCA Prudence Reviews, starting with the 2024 Prudence Review, hourly generation and curtailment data. This data is to be in an additional column to indicate for each hour of the year whether there was a Western Energy Imbalance Services (“WEIS”) curtailment instruction for any generation units, along with a narrative discussion explaining 1) how the Company receives and processes WEIS curtailment instructions, 2) the Company’s obligations to follow those instructions and the consequences for failing to do so, and 3) the circumstances under which the Company may manually redispatch the system for reliability.²

4. UCA filed exceptions challenging the ALJ’s findings. Through Decision No. C25-0374 the Commission denied UCA’s exceptions but required Public Service to file as part of its direct case in its 2024 ECA/PCCA Prudence Review a narrative explaining why, for the top ten instances by dollar amount, combustion turbines were running while either pumping Cabin Creek or curtailing renewables. The narrative is to provide analysis of the operational conditions that led to the relevant dispatch decisions.³

5. Through Decision No. C25-0487 the Commission upheld its rejection of UCA’s challenge to the reporting requirement and clarified that the narrative on the running of combustion

¹ Decision No. R25-0176, issued on March 14, 2025, Appendix A, Settlement Agreement, ¶ 3 at p. 3.

² Decision No. R25-0176 at ¶¶ 94 and 100.

³ Decision No. C25-0374, issued on May 14, 2025, at ¶17 and Ordering Paragraph 2.

turbines, required by Decision No. C25-0374, should encompass the top ten instances by volume of potentially reduceable CT generation or curtailment/pumping in MWh and provide analysis of the operational conditions that led to the relevant dispatch decisions.⁴

B. Motion for Variance

6. On July 10, 2025, Public Service filed an Unopposed Motion for Approval of a Temporary Variance from August 1 Filing Deadline (“Motion for Temporary Variance”).

7. Public Service states that it has traditionally filed its Annual ECA Prudence Review on or about August 1 of each year. In Proceeding No. 21AL-0317E, by No. C22-0178, issued on March 24, 2022, the Commission approved a settlement agreement that combines the ECA and PCCA prudence reviews and required that the combined filing be made “around the first of August of each year, consistent with the current timing of the ECA prudence review.”⁵

8. Given the new reporting requirements established in this Proceeding, the Company states that it is unable to complete the ECA/PCCA Prudence Review filing by the expected August 1, 2025, deadline and requests a temporary waiver to September 2, 2025. The Company states that additional time is necessary to compile and analyze the necessary information and to prepare testimony and attachments that are responsive to the reporting.

9. Consistent with 4 *Colorado Code of Regulations* (“CCR”) 723-1, Public Service requests a temporary variance in the expected filing date for the ECA/PCCA Prudence Review found at Paragraph 51 and Ordering Paragraph 2 of Decision No. R25-0176 and Paragraphs 2, 3, and 4 of Appendix A to Decision No. R25-0176, from August 1, 2025 to September 2, 2025.

⁴ Decision No. C25-0487, issued on June 26, 2025, at ¶ 24. Decision No. C25-0487 also required that “In the event there has been a significant spike in natural gas prices during the reporting year, as was seen in February 2021 and fall 2022 to winter 2023, the Company shall ensure that the top ten instances of simultaneous dispatch of CTs and curtailment of renewables or pumping Cabin Creek include those instances with highest dollar values.”

⁵ Decision No. C22-0178, issued March 24, 2022 at ¶15.

10. Public Service also requests a waiver of response time to the Motion for Temporary Variance, pursuant to Rule 1308(c) of the Commission's Rules of Practice and Procedure, 4 CCR 723-1.

2. Findings and Conclusions

11. We find that good cause has been shown to grant Public Service's Motion for Temporary Variance. An extension to September 2, 2025, for the filing of the 2024 ECA/PCCA Prudence Review will allow the Company to provide the information required through the various orders this Proceeding and will allow us to better evaluate the prudence of the Company's actions with regard to its 2024 ECA and PCCA.

12. As the Motion for Temporary Variance is unopposed, we grant the request for waiver of response time.

II. ORDER

A. It Is Ordered That:

1. The Unopposed Motion for Approval of a Temporary Variance from August 1 Filing Deadline ("Motion for Temporary Variance") filed on July 10, 2025, by Public Service Company of Colorado is granted, consistent with the discussion above.

2. Response time to the Motion for Temporary Variance is waived.

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

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETINGS
July 16, 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