

Decision No. R25-0518-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25A-0036E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS TARIFF ON-BILL FINANCING PROGRAM.

**INTERIM DECISION REQUESTING CLARIFICATION
AND SETTING STATEMENT OF POSITION DEADLINES**

Issued Date: July 15, 2025

I. BY THE COMMISSION

A. Statement

1. By this Decision, the undersigned Hearing Commissioner issues a request for clarifications from Public Service Company of Colorado (“Public Service” or the “Company”) regarding certain portions of its tariff on-bill financing proposal, sets a deadline for the Company’s response, and sets a new deadline for parties to file statements of position (“SOPs”).

B. Background, Findings, and Conclusions

2. On January 6, 2025, Public Service filed a Verified Application for Approval of its Tariff On-Bill Financing Program (“Application”). Public Service filed the Application in accordance with the settlement agreement approved by the Commission, with modifications, in Proceeding No. 23A-0589EG addressing the Company’s 2024-2026 Demand-Side Management and Beneficial Electrification Plan.¹ Through a Request for Proposal process, Public Service selected the Collective Clean Energy Fund (“CCEF”) to provide third-party financing for the proposed on-bill financing program. The Company states it is still in the process of negotiating an

¹ Decision No. C24-0671 issued in Proceeding No. 23A-0589EG (Sept. 18, 2024).

engagement with CCEF to provide the capital and to implement the program. The Company seeks to enter an initial three to five-year engagement with CCEF to provide a capital amount of up to \$25 million, but that is still subject to ongoing negotiations. The Company states interest rates are expected to range from 5 percent to nearly 6 percent, depending on the length of the term of the debt.²

3. By Decision No. C25-0195-I, the Commission, among other things, set this matter for hearing and referred the Proceeding to the undersigned Hearing Commissioner.

4. By Decision No. R25-0296-I, the Hearing Commissioner established a procedural schedule which included, among other things, a two-day evidentiary hearing and a deadline for party SOPs. Pursuant to the procedural schedule, the Hearing Commissioner held a two-day evidentiary hearing on July 10 and 11, 2025.

5. During the evidentiary hearing and in testimony, multiple parties referenced mechanisms that could potentially be used to reduce the program's interest rates to zero, or close to zero, percent. Considering the Commission's previously-stated interest in the Company presenting an on-bill financing program that is accessible to disproportionately impacted and/or income-qualified customers,³ the Hearing Commissioner expressed a desire during the hearing for the Company to clarify its proposal as it relates to lowering the proposed program's interest rates below those proposed in the Application, particularly for disproportionately impacted and income-qualified customers.

² Hr. Ex. 100, Verified Application, at p. 3.

³ See Decision No. C23-0413 at ¶ 169 issued in Proceeding No. 22A-0309EG (June 22, 2023).

6. For the purpose of providing clarity to the parties in this Proceeding, the Hearing Commissioner now restates and clarifies the information sought from the Company:

- a. Please explain the Company's position regarding lowering the proposed interest rates that are applied to financed debt to zero, or close to zero percent consistent with the order in Decision No. C23-0413.
- b. Please explain, based on the record in this Proceeding, whether the Company can lower the interest rates that it and CCEF propose to offer so that it approaches zero percent, particularly with regard to disproportionately impacted and income qualified customers.
- c. Please explain application of rebates in the proposed programs. For example, would rebates be applied prior to a customer obtaining financing and thus impact both the cost of a potential interest rate buy down and the monthly cost to the customer? Or, alternatively, would rebates be applied after the customer receives financing and thus impact the term and not the monthly cost of repayment?
- d. Please address whether the Company could use a regulatory asset to serve as a loan loss reserve mechanism (functionally similar to a loan loss reserve fund) to reduce default risk and therefore lower interest rates in this Proceeding or in a future on-bill financing program, and the extent to which that risk reduction would reduce rates, if known.⁴

7. The Company shall file its response to this request for clarification of its position as to these topics by **July 23, 2025**.

8. The deadline by which all parties, including the Company, shall file SOPs is hereby extended to **August 8, 2025**. Parties may respond to the Company's response within their SOPs. Parties including the Company can include in their respective filings whether additional information in future proceedings could best address specific issues raised, and direction, if any, that should be directed through this Proceeding as to those future processes.

⁴ SOPs may address party positions as to those proposals for purposes of determinations in the context of this Proceeding, including for example with respect to ongoing negotiations with CCEF based on the record to date, or if they support direction as it relates to future filings and proceedings.

II. ORDER

A. It Is Ordered That:

1. Public Service Company of Colorado (“Public Service” or the “Company”) shall file a response to the Hearing Commissioner’s request for clarification by **July 23, 2025**.
2. Parties to this Proceeding, including the Company, shall file Statements of Positions, which may be responsive to Public Service’s response, by **August 8, 2025**.
3. This Decision is effective immediately upon its Issued Date.

(S E A L)



ATTEST: A TRUE COPY

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

TOM PLANT

Hearing Commissioner

Rebecca E. White,
Director