

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

DOCKET NO. 07S-521E

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RE: IN THE MATTER OF ADVICE NO. 1495 - PUBLIC SERVICE COMPANY OF  
COLORADO REVISION TO THE INTERRUPTIBLE SERVICE OPTION CREDIT  
(ISOC) TARIFF - ELECTRIC.

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**ANSWER TESTIMONY OF HARRY C. DI DOMENICO  
STAFF OF THE COLORADO PUBLIC UTILITIES COMMISSION**

March 24, 2008

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1       **I.       IDENTIFICATION OF WITNESS AND PURPOSE OF TESTIMONY**

2       **Q.       PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3       **A.**       My name is Harry C. Di Domenico. My business address is 1560 Broadway,  
4       Suite 250, Denver, Colorado 80202.

5       **Q.       PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE AND**  
6       **EDUCATIONAL BACKGROUND.**

7       **A.**       My professional experience and educational background are contained in  
8       Appendix A to my testimony.

9       **Q.       BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

10      **A.**       I am employed by the Colorado Public Utilities Commission (Commission) as a  
11      Rate/Financial Analyst III with the responsibility of providing analysis and  
12      review of filings and issues that come before the Commission.

13      **Q.       ARE YOU GENERALLY FAMILIAR WITH THE INFORMATION THAT**  
14      **HAS BEEN FILED IN DOCKET NO. 07S-521E?**

15      **A.**       Yes.

1    **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET?**

2    **A.**    In my testimony, I provide an overview of the Interruptible Service Option Credit  
3            (ISOC) program offered by Public Service Company of Colorado (Public  
4            Service), including a discussion of Public Service’s mismanagement of the ISOC  
5            program in 2005. I also present Staff’s interpretation of Public Service’s market  
6            research regarding possible ways to increase participation in the ISOC program.  
7            With the results of the market research in mind, I then critique Public Service’s  
8            proposed use of a customer’s Energy Management System (EMS) to effect an  
9            interruption under the ISOC program’s less than 10-minute notice option.  
10          Finally, I propose various modifications to the proposed tariff language presented  
11          with Public Service’s direct testimony.

12   **Q.    PLEASE SUMMARIZE YOUR RECOMMENDATIONS.**

13   **A.**    My recommendations are as follows: 1) Public Service should do more research  
14          into the engineering, design, purchase cost and installation costs of all of the  
15          equipment and software necessary to effect Company-controlled interruptions via  
16          a customer’s EMS; 2) Public Service should not be permitted to introduce this  
17          provision into the tariff until additional market research can be performed using  
18          the updated information; and 3) make changes to the tariff language in accordance  
19          with Exhibit HCD-9.

**II. GENERAL OVERVIEW OF THE ISOC PROGRAM**

**Q. BEFORE DISCUSSING STAFF’S SPECIFIC ISSUES CONCERNING THE ISOC PROGRAM, PLEASE PROVIDE A GENERAL OVERVIEW OF THE PROGRAM.**

**A.** Public Service implemented the redesigned ISOC program on June 1, 2005. The Commission approved the ISOC program pursuant to a settlement reached in Docket No. 04S-164E (Decision No. C05-0412), Public Service’s most recent Phase II Electric Rate Case. ISOC replaced a prior interruptible service program that had been in effect since 1996. The program enabled Public Service to control demand by the calling of capacity interruptions, and added the concept of economic interruptions. Public Service offered a bill credit to those customers willing to participate in the program. At the end of the calendar year, Public Service totals the credits paid out and requests permission to recover 100 percent of the credits from all its retail customers via the Demand Side Management Cost Adjustment (DSMCA) mechanism over a twelve-month period commencing July 1 of the following year. The ISOC program was re-addressed in Docket No. 06S-642E, in which various problems with the management of the program in 2005 were discussed. As an outcome of that docket (via Decision No. C07-0559), a workshop was held to further examine program design issues. Advice Letter 1495, at issue in the instant docket, was filed on November 1, 2007.

1   **Q.     GENERALLY, WHAT WERE THE PROGRAM MANAGEMENT ISSUES**  
2       **RAISED BY STAFF IN DOCKET NO. 06S-642E?**

3   **A.**   Staff was primarily concerned that Public Service had not managed the ISOC  
4       program properly. Public Service encountered problems with the first capacity  
5       interruption on July 12, 2005 due to confusion surrounding which entity (Public  
6       Service or the program participant) had responsibility to interrupt the load, and  
7       improperly sent notifications. As a result, some ISOC participants entered a  
8       penalty situation, but due to Public Service's belief that its own actions had  
9       contributed to the failures to interrupt, Public Service unilaterally elected not to  
10      enforce its tariff and did not assess the required penalties. Staff maintained that  
11      problems initially encountered with the program were still evident on February  
12      18, 2006 when Public Service called for rolling blackouts. Staff discussed this  
13      incident to emphasize that the management problems encountered in 2005 were  
14      not addressed in a timely fashion. Finally, Staff expressed concern that a  
15      substantial number of hours available for interruption had been left unused in  
16      2005. The Commission agreed that Public Service failed to effectively manage  
17      the ISOC program in 2005.

1   **Q.    DID STAFF MAKE ANY FORWARD-LOOKING RECOMMENDATIONS**  
2       **IN CONJUNCTION WITH ITS RECOMMENDATION TO DISALLOW**  
3       **RECOVERY OF A PORTION OF THE 2005 ISOC PROGRAM BILL**  
4       **CREDITS?**

5   **A.**    Yes. As a global recommendation, Staff suggested that the Commission order the  
6       parties to devise a better methodology for evaluating the costs and benefits  
7       provided by the ISOC program to the general body of ratepayers. This  
8       recommendation was adopted in Decision C07-0559, where the Administrative  
9       Law Judge denied Public Service's request for full cost recovery of the 2005  
10      ISOC credits, and ordered the parties to commence workshops relating to the  
11      ISOC program and to produce a joint report to the Commission setting forth the  
12      results of the discussions.

13   **Q.    WHO WERE THE PARTICIPANTS IN THE WORKSHOP, AND WHEN**  
14       **WAS IT HELD?**

15   **A.**    The participants included Commission Staff, the Office of Consumer Counsel,  
16       Public Service Company of Colorado, and CF&I Steel, L.P., d/b/a Rocky  
17       Mountain Steel Mills. The workshop was held on August 8, 2007.

18   **Q.    WHAT WERE THE ISSUES DISCUSSED?**

19   **A.**    The Commission ordered the parties to address the following issues per Decision  
20       No. C07-0559:

- 1           1)     Examine the level of coincidence between each of the ISOC program
- 2                     participants' 15-minute integrated kW demand and system peak;
- 3           2)     Evaluate the advisability and implications of applying accrual accounting
- 4                     to the cost recovery;
- 5           3)     Evaluate the usefulness and purpose of preparing a cost-benefit analysis
- 6                     relating to the ISOC program and the method to be used in preparing such
- 7                     an analysis;
- 8           4)     Analyze methods for optimizing the use of ISOC hours including, but not
- 9                     limited to: (a) an analysis of the results of the application of actual data
- 10                    from the last two years of operation of the ISOC Program; and (b) an
- 11                    analysis of how to eliminate blocks of less than four hours; and
- 12           (5)    Examine and evaluate the economic interruptions that have been called
- 13                    over the last two years of the ISOC program's operation and how Energy
- 14                    Markets forecasting can be used in this process.

15   **Q.     WERE THE ISSUES RESOLVED?**

16   **A.**     The details of the responses to the issues listed above are included in the Report,  
17             which is attached as Exhibit HCD-1<sup>1</sup>. Generally, the parties supported the  
18             program, and Public Service reiterated its desire to expand the program. Issues  
19             remained in relation to the setting of bill credits in light of the significantly

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<sup>1</sup> The Exhibit HCD-1 cover page incorrectly reflects the wrong date and year of the workshop. The title should have been "Report of the Participants in the ISOC Workshop Held On August 8, 2007."



1           divergent views on the level of coincidence and the method used for the cost-  
2           benefit analysis. It was agreed by the workshop participants that the remaining  
3           issues would be best dealt with in a future advice letter filing.

4       **III.    MARKET RESEARCH RESULTS CONCERNING THE ISOC PROGRAM**

5       **Q.    WHAT RESEARCH DID PUBLIC SERVICE CONDUCT TO ATTEMPT**  
6           **TO DETERMINE HOW MUCH ADDITIONAL LOAD MIGHT BE**  
7           **ATTRACTED TO THE ISOC PROGRAM?**

8       **A.**The Praxi Group, Inc. conducted two market research studies related to the ISOC  
9           program. The first was a focus group of large business and industrial customers  
10          conducted on January 23, 2007,<sup>2</sup> attached as Exhibit HCD-2 (hereafter referred to  
11          as the “Focus Group Study”). The second was an analysis of the acceptability of  
12          a program that interrupted customer loads, released on April 30, 2007,<sup>3</sup> attached  
13          as Exhibit HCD-3 (hereafter referred to as the “Acceptability Study”).

14       **Q.    WHAT WAS THE GENERAL APPROACH USED IN EACH STUDY?**

15       **A.**The Focus Group Study involved two groups of 7-9 participants, one with large  
16          business customers in commercial industries and the other with customers from  
17          the industrial segment. These customers were recruited from lists provided by

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<sup>2</sup> “Concept Evaluation Focus Groups among Large Business Customers,” The Praxi Group Inc., February 2, 2007.

<sup>3</sup> “Business Acceptance of an Energy Rate Savings Program,” The Praxi Group, Inc., April 30, 2007 (v4.0).

1 Public Service. The groups met for approximately two hours on January 23, 2007  
2 at an independent research facility. All respondents were paid an incentive  
3 ranging from \$200 to \$250.

4 The Acceptability Study involved contacting a total of 175 large business  
5 customers of Public Service that were recruited by telephone, ultimately  
6 completing 64 online surveys that provided detailed findings. All respondents  
7 completing the survey were paid \$25.

8 **Q. DID THE FINDINGS FROM THE FOCUS GROUP STUDY SUGGEST**  
9 **WHETHER ADDITIONAL LOAD COULD BE ATTRACTED BY AN**  
10 **ISOC-TYPE PROGRAM?**

11 **A.** Overall interest expressed by the participants varied widely, with appeal linked to  
12 certain aspects of the program (p.6). Customers were most interested in cost  
13 savings, but expressed concern over decreased productivity, service to customers,  
14 and lack of control over the interruptions in terms of timing, magnitude, and  
15 duration (p.7). Prior to enrolling in the program, many participants expressed that  
16 they would need to do cost-benefit analyses to evaluate the impact to their  
17 operations (p.8). The top three modifications that would enhance the level of  
18 interest from businesses were 1) if a price discount is offered; 2) ample  
19 notification time; and 3) limits on the number of hours of interruption per day  
20 (p.24). The factor that would most influence customers to be less interested in an  
21 ISOC-type program was physical control of customer systems (p.25). Of

1 particular note, the results indicated that few if any focus group participants  
2 would be interested in the less than 10-minute notification level. Reasons for this  
3 include unwillingness to commit the resources necessary to purchase the  
4 equipment for external control (p.8), lack of time and resources needed to prepare  
5 for the interruption (p.8), and the high level of risk to their systems (p.22). This  
6 suggests that more work needs to be done to provide reassurance to customers  
7 before the less than 10-minute option is likely to attract additional interruptible  
8 load to the program.

9 **Q. WHAT ARE SOME OF THE KEY FINDINGS OF THE ACCEPTABILITY**  
10 **STUDY?**

11 **A.** Of the business customers surveyed, those most interested in the program tended  
12 to be businesses in the heavy industry category (p.4). Of interest was a statement  
13 in the Executive Summary that “using standardized discounting measures,  
14 approximately one in four businesses – 24 percent - can be expected to express  
15 serious interest in the Energy Rate Savings Program.” The findings of the  
16 Acceptability Study reinforced that the element of greatest interest to customers  
17 was cost savings, and also that three out of four businesses would be most  
18 interested in the option offering 40 hours of annual control with one hour of  
19 notification (p.4). The findings also confirmed a strong negative reaction to  
20 program components that offer less than 10 minutes of notification: “Overall, the  
21 10-minute notification options appeal to fewer than one in ten businesses.”

1 Further, the Acceptability Study concluded that potential add-ons and  
2 enhancements to the program should be considered “in the context of the  
3 resources necessary to implement the change versus the increase in participation  
4 likely to be realized” (p.7), suggesting caution presumably due to the overall low  
5 level of interest in the program.

6 **Q. WHAT ARE STAFF’S MAIN CONCLUSIONS REGARDING THE**  
7 **MARKET STUDY FINDINGS IN RELATION TO THE ISOC PROGRAM**  
8 **CHANGES BEING PROPOSED?**

9 **A.** Certain program enhancements are attractive to customers based on individual  
10 unique situations, *i.e.* if a buy-though option is important or if the customer has  
11 EMS capability. None of the individual enhancements, however, demonstrated  
12 compelling evidence that such an improvement would drastically increase  
13 program participation. While the element of interruption via the customer’s EMS  
14 attracted the interest of large business customers, the negative reaction regarding  
15 the less than 10-minute notice provision suggests that interruption via the EMS  
16 would not necessarily be effective for the purpose of attracting load to a demand  
17 response program such as ISOC.

1    **Q.    WHAT ARE STAFF’S RECOMMENDATIONS CONCERNING THESE**  
2    **FINDINGS?**

3    **A.**    I recommend that Public Service do more research to present customers with a  
4    firmer set of parameters around the EMS enhancement, which may serve to  
5    reduce the reluctance to pursue this option. Second, I recommend that Public  
6    Service conduct an additional market study based on updated EMS information  
7    whereby potential customers could make determinations as to whether they would  
8    participate in the enhancement.

9    **IV.    PUBLIC SERVICE’S PROPOSAL TO PERMIT THE USE OF AN EMS TO**  
10    **EFFECT INTERRUPTIONS COMMENTS**

11   **Q.    PLEASE DESCRIBE THE TARIFF CHANGES PROPOSED WITH**  
12   **RESPECT TO THE USE OF AN EMS TO EFFECT INTERRUPTIONS.**

13   **A.**    Under the tariff proposed in this matter, customers agreeing to interruption notice  
14   of less than 10 minutes may elect to allow Public Service to control their load via  
15   electronic signaling of a customer-owned EMS. Prior to execution of an  
16   Interruptible Service Option Agreement for the program, customers must provide  
17   an independent engineering assessment demonstrating that the customer’s EMS  
18   will reliably respond to Public Service’s interruption signal. The customer must  
19   install a remote terminal unit (RTU) purchased either through Public Service or a  
20   Public Service contractor, and a \$1,000 non-refundable deposit is required to

1 perform the necessary engineering and design work. If the EMS does not respond  
2 properly, penalties apply as set forth in the tariff. Alternatively, the customer may  
3 elect to utilize a Company-owned switch and RTU as under the current program;  
4 if so, the customer must pay for the cost of each. All customers on the ISOC  
5 program must pay for a telephone line to the meter site; for those using their own  
6 EMS the Company may elect to install one and charge it to the customer.

7 The EMS option will only be available to customers after the Company  
8 develops systems to manage the program, and it has been thoroughly tested.  
9 Thus, it appears likely the program will not be available to customers on the  
10 proposed effective date of the tariff.

11 **Q. DO YOU BELIEVE THAT THE CONCEPT OF INTERRUPTION VIA**  
12 **THE CUSTOMER'S EMS IS A USEFUL ADDITION TO THE ISOC**  
13 **PROGRAM?**

14 **A.** Yes. The proposed use of the customer's EMS to effectuate interruptions has the  
15 potential to attract greater participation in the less than 10-minute aspect of the  
16 ISOC program.

1    **Q.    DO YOU HAVE ANY CONCERNS RELATING TO THE PROPOSED USE**  
2           **OF A CUSTOMER’S EMS TO EFFECT AN INTERRUPTION AT THIS**  
3           **TIME?**

4    **A.**    My concerns relate to the appropriateness of introducing this option in the tariff  
5           prior to the development and testing of the necessary systems to operate it  
6           effectively. Proposed tariff sheet First Revised 90A states that many operational  
7           aspects concerning use of the EMS remain unknown and this element of the  
8           program will not be available on the proposed effective date of the tariff:

9                   These options shall be available only after the Company  
10                  has developed systems to manage these programs and has  
11                  tested and approved their use on a customer-by-customer  
12                  basis.

13                Further, the Company stated in response to Discovery Request No.  
14                CPUC9-3, (attached as Exhibit HCD-4), that it is “...unaware which ISOC  
15                customers use an Energy Management System to control their loads.” It can be  
16                concluded, therefore, that Public Service cannot make a projection as to the “take  
17                rate” of the EMS option, or know whether offering this option will serve the  
18                purpose of attracting additional load.

1     **Q.     DID STAFF ATTEMPT TO DETERMINE WHY THE SYSTEMS ARE**  
2           **NECESSARY, WHAT THE SYSTEMS WOULD CONSIST OF, THE**  
3           **COST, AND WHO WOULD PAY FOR THEM?**

4     **A.**     Yes. PUC Staff made such an inquiry in Audit Request No. CPUC1-1, attached  
5           as Exhibit HCD-5. The Company's response was as follows:

6           The Company is planning to issue a request for proposals  
7           to design new automated systems with the conclusion of  
8           this filing. The new systems are needed in order to  
9           automate the process of interrupting customers and to allow  
10          automated control through a customer owned energy  
11          system. By automating the administration of the ISOC  
12          program, the Company can ensure that it will be able to  
13          efficiently and accurately administer the program for all  
14          ISOC customers regardless of the options they select in  
15          choosing to participate. The Company does not yet know  
16          what these systems would cost. The Company is proposing  
17          to recover the costs of any new systems needed to  
18          administer the ISOC program through the rates assessed to  
19          ISOC program participants—in this case through a  
20          customer charge.

21          The implication of this audit response is that a great deal remains to be  
22          determined both in terms of the functionality of the concept and, as a result, the  
23          potential costs to both the program participant and Public Service. This was also  
24          confirmed in Public Service's response to Discovery Request CPUC8-26,  
25          attached as Exhibit HCD-6:

26          Since official approval by the PUC has not been granted to  
27          allow PSCo to send signals to a customer's EMS in order to  
28          control their load, PSCo has not fully investigated the  
29          engineering, design, purchase cost or installation costs of the  
30          equipment needed to accomplish load control to a  
31          customer's EMS.



1           The impact of approving the tariff language at this time, however, would be  
2           to spread these potential costs to all ISOC program participants through a  
3           customer charge that may be assessed immediately. The response to CPUC8-27,  
4           attached as Exhibit HCD-7, clarified to whom these costs will be assessed:

5           ISOC participants must pay for the costs of phone lines,  
6           switches, engineering and any other expenses directly  
7           attributable to their participation in the program. The  
8           Company proposes to recover direct costs of the program  
9           that are not directly attributable to any one participant  
10          through a customer charge paid by all ISOC program  
11          participants.

12          Thus, ISOC participants will collectively be required to pay for the direct  
13          costs of the program, specifically, the engineering, design, purchase cost and  
14          installation costs of the new systems, which are not presently known and  
15          measurable. Without more information, I am unable to make an accurate  
16          assessment as to the impact of the costs to be borne by the program participants  
17          but can reasonably conclude that this unknown cost will have a deterrent effect to  
18          attracting load to the ISOC program.

1   **Q.     WHAT IS STAFF’S RECOMMENDATION CONCERNING APPROVAL**  
2       **OF THE TARIFF LANGUAGE REGARDING USE OF THE**  
3       **CUSTOMER’S EMS?**

4   **A.**   Staff believes that the tariff language as proposed by Public Service is likely to  
5       discourage, rather than encourage, participation in the ISOC program. It is  
6       therefore Staff’s recommendation that Public Service take steps to clarify the  
7       costs surrounding the engineering, design, purchase cost and installation cost of  
8       all equipment necessary to effectively manage interruptions via a customer’s  
9       EMS prior to introducing this language in the tariff. Staff suggests that once  
10      enough information is compiled to allow Staff, Public Service, and its customers  
11      to make a reasonably accurate determination as to these costs, and thus obtain a  
12      clear sense that an EMS option will attract load to the ISOC program, an advice  
13      letter may be filed to introduce this aspect of the ISOC program. Based on the  
14      information we have received to date, Staff would support a Commission order in  
15      support of this effort.

16   **Q.     DOES STAFF HAVE ANY ADDITIONAL CONCERNS REGARDING**  
17       **THE POTENTIAL CUSTOMER CHARGE THAT WOULD RECOVER**  
18       **COSTS OF DEVELOPING SYSTEMS NECESSARY TO SIGNAL THE**  
19       **CUSTOMER’S EMS?**

20   **A.**   Yes. Staff is concerned whether it is fundamentally fair for all ISOC program  
21       participants to bear the entire cost of developing the necessary systems to manage

1 interruptions via a customer's EMS. Staff attempted to determine how many  
2 customers were ready to make commitments in the event that interruption through  
3 the customer's EMS was available. Based on the information received to date,  
4 Staff believes the "take rate" of the EMS option would be some fraction less than  
5 42%<sup>4</sup> who are potentially interested. This level of interest suggests that to assess  
6 the customer charge recovering the costs of Public Service's development of  
7 systems necessary to operate the EMS signaling system to all ISOC program  
8 participants would unfairly benefit Public Service and the relatively few  
9 customers electing to participate.

10 **V. ADDITIONAL PROPOSED CHANGES TO ISOC TARIFF LANGUAGE**

11 **Q. WERE ANY INCONSISTENCIES FOUND IN THE PROPOSED TARIFF**  
12 **LANGUAGE?**

13 **A.** Yes. Proposed Tariff Sheet Third Revised 90C presents a schedule of percentages  
14 for Capacity Availability (Ca) based on the number of available hours (Ha). The  
15 percentages are based on the number of interruptible hours set forth in the  
16 Interruptible Service Option Agreement. I compared Exhibit No. TJS-3  
17 Derivation of Monthly Credit Rate (under the heading Customer and Class  
18 Specific Indices on p. 2 of 2), attached to the Direct Testimony and Exhibits of

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<sup>4</sup> The 42 percent referenced is the number of surveyed customers that stated they would be interested in effecting interruptions by a signal to the customer's EMS.

1 Timothy J. Sheesley, to the proposed tariff sheet Third Revised 90C. I found that  
2 the words “4-hour Minimum” and “No 4-hour Minimum” under the columns  
3 labeled “Ca Unconstrained\*” and “Ca 4-hr/24-hr” are reversed from how they are  
4 presented in the Exhibit. I recommend that this be corrected in the event that the  
5 Commission rejects Staff’s recommendation regarding the Ca component of the  
6 Monthly Credit rate calculation.

7 **Q. WHAT IS STAFF’S REACTION TO THE CUSTOMER CHARGE**  
8 **SECTION OF THE PROPOSED TARIFF?**

9 **A.** Public Service has not proposed in its direct testimony how or when the customer  
10 charge should be reviewed by the Commission. Staff has concerns with the  
11 customer charge if Public Service does not intend to seek Commission review and  
12 approval of it. Staff recommends that the Commission consider requiring Public  
13 Service to provide cost support for the customer charge in a future proceeding to  
14 determine how to reflect the charge in its tariff.

15 **Q. DOES STAFF PROPOSE ANY CONCEPTUAL ADDITIONS TO THE**  
16 **TARIFF LANGUAGE?**

17 **A.** Yes. In the section of my testimony that discussed a general overview of the  
18 ISOC program, I mentioned that one of Staff’s issues in regard to Advice Letter  
19 No. 1468 dealt with un-assessed penalties for capacity interruptions. In  
20 Recommended Decision No. R07-0358, attached as Exhibit HCD-8, the

1 Administrative Law Judge concluded that Public Service’s request for recovery of  
2 the credit amounts paid in 2005 should be reduced by the total amount of un-  
3 assessed penalties connected with capacity interruptions. This was upheld in the  
4 Commission’s Order on Exceptions, Decision No. C07-0559. It was expressed in  
5 these decisions that penalties for failure to interrupt must be assessed, and the  
6 failure to do so must result in a negative impact to Public Service in the form of a  
7 reduction in recovery of credits. In keeping with the Commission’s expressed  
8 desire that penalties for failure to interrupt be assessed, it is also logical to  
9 conclude that such penalties be pursued in the event that they are not paid. For  
10 this reason I propose that specific language in this regard be added to the tariff  
11 mandating the pursuit of uncollected penalties. Such language should include, at  
12 a minimum, when the penalty(ies) should be paid; when such amounts become  
13 delinquent; the application of late fees; whether a payment plan is available; when  
14 such amounts will be collected upon or pursued in court; and what action will be  
15 taken in the event a customer owing penalties cannot be found. In the event of a  
16 bankruptcy, Public Service should pursue becoming listed as a creditor regardless  
17 of the likelihood of recovery in the bankruptcy proceeding. If this  
18 recommendation is adopted, Staff offers to work with Public Service to develop  
19 exact tariff language.

1    **Q.    DO YOU PROPOSE ANY OTHER MODIFICATIONS TO THE TARIFF**  
2           **LANGUAGE?**

3    **A.**    Yes. I reviewed the tariff language presented by Public Service and make  
4           suggestions in regard to grammar and presentation. My proposed changes may be  
5           found in Exhibit HCD-9. To develop Exhibit HCD-9 I first accepted all changes  
6           to the tariff language proposed by Tim Sheesley. I then inserted additional  
7           proposed changes in red-line.

8

9    **Q.    DO YOU HAVE ANY RECOMMENDATIONS IN REGARD TO THE**  
10           **NOTICE PERIOD BEFORE NEW TARIFF LANGUAGE IS ALLOWED**  
11           **TO GO INTO EFFECT?**

12   **A.**    Yes. Because of the complexity of the proposed changes to the tariff language I  
13           recommend that the compliance filing in this docket be allowed to go into effect  
14           on not less than seven (7) days' notice (instead of not less than one days' notice)  
15           in order to allow sufficient time for review and resolution of any issues.

16   **Q.    DOES THIS CONCLUDE YOUR TESTIMONY?**

17   **A.**    Yes.

**Appendix A**  
**Summary of Qualifications**  
**Harry C. Di Domenico**

**Educational Background**

I received a Bachelor of Science degree in Public Relations from the University of Florida (Gainesville, FL) in 1990.

I received a Master of Business Administration (MBA) degree from the University of Colorado at Denver in 1998.

**Employment History**

I was employed from 1993 to 1997 as an Asset Seizure and Forfeiture Specialist for the IRS-Criminal Investigation Division in the Denver District, where I was responsible for the custody and disposition of assets seized in relation to financial crimes. From 1997 to 1998 I served as a Financial Manager for the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) program, managing grant funds to supplement local, state, and federal drug control programs. From 1998 to 2000 I served as an Executive Dispute Resolution Manager for AT&T Law and Government Affairs, where I resolved telephone utility disputes. From 2000 to 2004 I served the Colorado Public Utilities Commission (PUC) as a Consumer Affairs Specialist, also resolving utility disputes for both telephone and energy utilities. From 2004 to present I served as a Rate/Financial Analyst with the PUC, dealing with regulatory matters relating to energy and telecommunications.

As a Financial Analyst I review and evaluate utility books and records to ensure financial and regulatory compliance with Colorado statutes, Commission rules and tariffs. When necessary, I work with utilities to bring their practices into compliance with Colorado statutes and Commission rules and may recommend that the Commission assess penalties if it is determined that the utility has failed to comply with Colorado statutes, Commission rules, or rates, terms and conditions in its effective tariff. I participate on audit teams that review financial and service quality records. I also assist in the preparation and delivery of written and/or oral testimony in hearings before the Commission or an Administrative Law Judge involving the following technical functions: (a) financial analysis and rate design activities for utility matters; (b) investigation, examination, and audit of the books and records of regulated utilities in order to test for financial reasonableness; and (c) investigation and examination of regulated utilities' compliance with Commission reporting requirements.

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO**

DOCKET NO. 07S-521E

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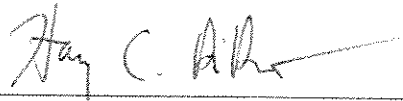
IN THE MATTER OF ADVICE NO. 1495 - PUBLIC SERVICE COMPANY OF  
COLORADO REVISION TO THE INTERRUPTIBLE SERVICE OPTION CREDIT  
(ISOC) TARIFF - ELECTRIC.

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**AFFIDAVIT OF HARRY C. DI DOMENICO  
STAFF OF THE COLORADO PUBLIC UTILITIES COMMISSION**

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I, Harry C. Di Domenico, being duly sworn, state that the attached testimony and exhibits were prepared by me or under my supervision, control, and direction; that the testimony and exhibits are true and correct to the best of my information, knowledge and belief; and that I would give the same testimony orally and would present the same exhibits if asked under oath.



**Harry C. Di Domenico**

Subscribed and sworn to before me in the County of Denver, State of Colorado,  
this 24th day of March 2008.

  
NOTARY PUBLIC

My Commission expires:

6/30/09