

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 21A-0141E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF COLORADO FOR APPROVAL OF ITS 2021 ELECTRIC RESOURCE PLAN AND CLEAN ENERGY PLAN.

**COMMISSION DECISION GRANTING UNOPPOSED
MOTION FOR VARIANCE TO FILE JUST TRANSITION
SOLICITATION NO LATER THAN OCTOBER 15, 2024**

Issued Date: July 17, 2024
Adopted Date: July 17, 2024

I. BY THE COMMISSION

A. Statement

1. Through this Decision, the Commission grants the Unopposed Motion for Variance to File Just Transition Solicitation No Later Than October 15, 2024, (“Motion for Variance”) that Public Service Company of Colorado (“Public Service” or “the Company”) filed on July 12, 2024. We waive remaining response time to the Motion for Variance and direct Public Service to file its application for the Pueblo Just Transition Solicitation (“JTS”) no later than October 15, 2024.

B. Background and Motion for Variance

2. On April 26, 2022, Public Service filed a motion to approve the Updated Non-Unanimous Partial Settlement Agreement (“Phase I Settlement Agreement”). This Phase I Settlement Agreement requires Public Service to commence the Pueblo JTS no later than June 1, 2024. In the Phase I Decision,¹ the Commission approved the June 1, 2024, filing date for the Pueblo JTS, as contemplated in the Phase I Settlement Agreement.

¹ Decision No. C22-0459, issued August 3, 2022.

3. On April 22, 2024, Public Service filed an Unopposed Motion for Variance to File Just Transition Solicitation No Later Than August 1, 2024, and Request for Waiver of Response Time (“Initial Motion for Variance”). In the Initial Motion for Variance, Public Service requested a 60-day extension of the Pueblo JTS filing deadline from June 1, 2024, to August 1, 2024. The Company argued the Pueblo JTS filing was intended to incorporate the results of the 2021 Electric Resource Plan and Clean Energy Plan (“ERP/CEP”), but the Phase II process lasted longer than expected. Public Service asserted that “additional time following the Phase II process will allow for development of approaches to advance a just transition and meet State energy policy objectives at the same time.”² Similarly, the Company argued in the Initial Motion for Variance that the 60-day extension would allow the Company to incorporate lessons learned from the 2021 ERP/CEP and meet the Commission’s expectations for the Pueblo JTS. In addition, Public Service planned to use the additional time to finalize key proposals, including the Effective Load Carrying Capability (“ELCC”) studies and receive feedback from stakeholders.³

4. In the Motion for Variance currently before us, Public Service argues the additional delay in the Pueblo JTS is necessary because there have been challenges implementing the CEP, which impact all business models and transaction types (*i.e.*, power purchase agreements, build-own-transfers, and, and Company self-builds). The Company first cites “multiple geopolitical dynamics” such as the possibility of new duties on solar cells imported from Cambodia, Malaysia, Thailand, and Vietnam as well as President Biden’s recent directive to increase tariffs on certain Chinese imports.⁴ In addition, the Company states it has encountered supply chain challenges with the interconnection of generation resources. Together, Public Service

² Initial Motion for Variance, p. 5.

³ Initial Motion for Variance, pp. 6-7.

⁴ Motion for Variance, p. 5.

indicates these issues might require “price flexibility” and “in-service timing flexibility” with several CEP projects.⁵

5. To address these geopolitical and supply chain issues, the Company intends to file a “CEP Delivery Filing” within 30 days of the Commission’s approval of the Motion for Variance. In this CEP Delivery Filing, the Company will address pricing flexibility tools to ensure the deliverability of CEP projects, updated pricing for certain resources, and actions necessary to maintain resource adequacy over the next several years. Public Service also indicates it is conferring with parties regarding a set of proposed procedural steps.⁶

6. The Company asserts that the CEP Delivery Filing will provide a comprehensive view of the next steps and will help lay the foundation for the Pueblo JTS. Public Service argues proper sequencing of the CEP Delivery Filing and the Pueblo JTS will lead to efficiencies and reduce the potential for duplicative or revised filings in the JTS proceeding.⁷

7. Pursuant to Rule 1308(c) of the Commission’s Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (“CCR”) 723-1, the Company requests that the Commission waive response time.⁸ Public Service avers it has conferred with the parties regarding the Motion for Variance, and all responding parties, representing a broad group of interests, either do not oppose the variance or take no position on it.

C. Findings and Conclusions

8. The Commission grants the Motion for Variance and directs Public Service to file the Pueblo JTS no later than October 15, 2024. The Motion for Variance appears unopposed, and

⁵ Motion for Variance, pp. 5-6.

⁶ Motion for Variance, p. 6.

⁷ Motion for Variance, p. 7.

⁸ Motion for Variance, p. 9.

we agree with the Company that the implementation and of the CEP is critical and takes priority over the Pueblo JTS. At the very least, the CEP implementation is a foundational component of the Pueblo JTS. Simply put, it would be challenging for the Commission and parties to evaluate what additional resources should be acquired in the Pueblo JTS if there is significant uncertainty as to the resources arising from the CEP.

9. Accordingly, we find merit in Public Service’s plan to make CEP Delivery Filing prior to the Pueblo JTS Filing. The Commission looks forward to the “comprehensive view of next steps” Public Service states this CEP Delivery Filing will afford.⁹ Moreover, while we are potentially concerned with extensive delay, we agree the proper sequencing of the Pueblo JTS and the CEP Delivery Filing will promote efficiencies.

10. Finally, pursuant to 4 CCR 723-1-1308(c), the Commission grants the Company’s request to waive response time to the unopposed Motion for Variance.

II. ORDER

A. The Commission Orders That:

1. The Unopposed Motion for Variance to File Just Transition Solicitation No Later Than October 15, 2024 (“Motion for Variance”) that Public Service Company of Colorado filed on July 12, 2024, is granted.

2. The request to waive response time to the Motion for Variance is granted.

⁹ Motion for Variance, p. 6.

3. This Decision is effective on its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
July 17, 2024.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Rebecca E. White".

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners