

Decision No. C25-0064-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0442E

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF
COLORADO FOR APPROVAL OF ITS 2024 JUST TRANSITION SOLICITATION.

**INTERIM COMMISSION DECISION DIRECTING
CERTAIN MODIFICATIONS AND CLARIFICATIONS TO
THE SCOPE OF WORK FOR THE INDEPENDENT
TRANSMISSION ANALYST, ESTABLISHING A
PROCEDURAL SCHEDULE, SCHEDULING REMOTE
EVIDENTIARY HEARING, AND SETTING PROCEDURES
FOR EVIDENTIARY HEARING**

Issued Date: January 29, 2025

Adopted Date: January 22, 2025

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I. BY THE COMMISSION

A. Statement

1. On December 31, 2024, Public Service Company of Colorado (“Public Service” or the “Company”), Trial Staff of the Public Utilities Commission (“Staff”), the Colorado Office of Utility Consumer Advocate (“UCA”), and the Colorado Energy Office (“CEO”) (Staff, UCA, and CEO, collectively the “State Agencies”) jointly filed a Notice of Joint Filing Scope of Work for the Independent Transmission Analyst (“ITA”) as well as the ITA scope of work (“SOW”). Through this Decision, we modify certain aspects of the ITA SOW and require clarifications to be provided once an ITA is selected. We also highlight our expectations regarding how the State Agencies will use the ITA.

2. In addition, through this Decision, we address the Notice of Conferral and Unopposed Motion to Modify Supplemental Direct Testimony Deadline and Request for Waiver of Response Time (“Notice”) that Public Service filed on January 17, 2025. Among other things, we establish a procedural schedule, extend the timeline for a decision under § 40-6-109.5(1), C.R.S., waive remaining response time to the Notice under Commission Rule 1308(c), 4 *Code of Colorado Regulations* (“CCR”) 723-1, and schedule a remote evidentiary hearing.

B. Background

3. In Decision No. C24-0052,¹ of the 2021 Electric Resource Plan (“ERP”) and Clean Energy Plan (“CEP”)² (“Phase II Decision”), Staff recommended the Commission consider options for implementing an ITA. The Commission adopted this request, noting that it saw “value in having some independent transmission and power flow modeling expertise among Staff, CEO, and UCA with which the Company could collaborate.”³ The Commission stated that it saw the primary role of the ITA as “building up the analytical capabilities of parties, particularly Staff, UCA, and CEO, regarding power flow modeling and other transmission issues.”⁴ We noted that the ITA would ideally assist with modeling in Phase I of the Just Transition Solicitation (“JTS”) and help to “identify approximate quantities of certain resource types in targeted geographic areas to test assumptions about total costs for different portfolios, inclusive of both generation and transmission costs.”⁵

¹ Issued January 23, 2024.

² Proceeding No. 21A-0141E.

³ Phase II Decision, ¶ 164.

⁴ Phase II Decision, ¶ 164.

⁵ Phase II Decision, ¶ 166.

4. In Decision No. C24-0872-I in this Proceeding,⁶ we required Staff to file by December 4, 2024, an update and description of the ITA stakeholder process and Staff's plans for proposing a scope of work for the ITA in initial filings in this Proceeding.⁷

5. In its Response to Decision No. C24-0872-I, Staff states that it is modeling the process for hiring the ITA largely based on the procurement of the independent engineer in the Colorado Power Pathway Proceeding.⁸ Staff notes in that proceeding, Staff and the Company simply filed a "Notice of Hiring of Independent Engineer" and filed the final scope of work into the proceeding.⁹

6. In Decision No. C24-0941-I,¹⁰ the Commission set a deadline of December 31, 2024, for Staff to "make a filing addressing the ITA and a proposed scope of work," consistent with Staff's proposal in its Response to Decision No. C24-0872-I. The Commission also directed Staff to consider statements made in the parties' filings requesting areas of consideration for supplemental direct with regard to the ITA scope of work, as well as any other emphasis the Commissioners have included regarding the transmission considerations in this Proceeding.¹¹

7. In Decision No. C24-0941-I, the Commission also required the Company to confer further with the parties on a procedural schedule, including conferral with the Colorado Department of Public Health and Environment ("CDPHE") regarding whether it could provide a neutral verification review per § 40-2-125.5(7), C.R.S. The Commission set a deadline of

⁶ Issued November 22, 2024.

⁷ Decision No. C24-0872-I, ¶¶ 67-68.

⁸ Proceeding No. 21A-0096E.

⁹ Staff's Response to Decision No. C24-0872-I, pp. 8-9.

¹⁰ Issued December 23, 2024.

¹¹ Decision No. C24-0941-I, pp. 18-19.

January 17, 2025, for the Company to file the updated procedural schedule and scheduled a prehearing conference for January 23, 2025.¹²

8. In Decision C24-0956-I,¹³ the Commission directed Public Service to file supplemental direct testimony on several topics. The Commission set a deadline of January 31, 2025, for the Company to file the supplemental direct testimony.

9. When Public Service and the State Agencies filed the ITA SOW on December 31, 2024, the parties noted the ITA will begin work as soon as practicable and that Staff and the Company are working to interview prospective ITA contractors in January. The parties further make clear that the ITA will file neither an independent report nor testimony in the proceedings and thus will not be tendered for cross examination. As for cost recovery, the SOW states that the State Agencies will support cost recovery for the ITA through Public Service's Transmission Cost Adjustment filings, consistent with paragraph 153 of Decision C24-0161.¹⁴

10. The SOW specifies that the "ITA will act as an independent analyst supporting the analytical capabilities of Trial Staff, the UCA, and the CEO and the advocacy of Trial Staff within litigated proceedings."¹⁵ For its part, Public Service is responsible for all costs related to the work of the ITA and will meet at least quarterly with State Agencies to review contract implementation. However, the Company is prohibited from paying any ITA invoice without explicit pre-approval from Staff. The SOW also prohibits the ITA from communicating directly with the Company, other than for contracting and payment purposes, without pre-approval from Staff and states that

¹² In Decision No. C25-0049-I, issued January 22, 2025, the Commission vacated the prehearing conference.

¹³ Issued December 31, 2024.

¹⁴ Issued March 13, 2024, in Proceeding No. 21A-0141E.

¹⁵ ITA SOW, p. 1.

the Company “shall not direct the work of the ITA and shall have no authority over the content of the work.”¹⁶

11. The SOW enumerates three primary tasks for the ITA:¹⁷ (1) supporting the State Agencies in the JTS Proceeding, (2) providing State Agencies professional development services to build agency analytical capabilities, and (3) supporting the State Agencies in the Denver Metro CPCN case.¹⁸ The SOW notes that additional tasks may be added in the future as determined by the State Agencies and Public Service. The SOW lists several qualifications for the ITA, which may be one or more consultants. If the ITA needs to use a subcontractor, the SOW states that any subcontractor “will be required to go through Xcel Energy’s contractor screening and review process as well as comply with any and all regulations.”¹⁹

12. In the Notice filed on January 17, 2025, Public Service puts forth a consensus procedural schedule, which it states no parties oppose. The proposed procedural schedule includes an April 18, 2025 deadline for answer testimony, a May 23, 2025 deadline for rebuttal and cross-answer testimony, a June 5, 2025 settlement deadline, and several days of evidentiary hearing, beginning on June 10, 2025.

13. The consensus procedural schedule also includes an unopposed request to extend the previously set January 31, 2025, deadline to February 21, 2025, for supplemental direct testimony. While previously representing that it could file testimony on the majority of Commission topics for supplemental direct by January 31, 2025, Public Service includes that, after

¹⁶ ITA SOW, p. 2.

¹⁷ Initially, the SOW states that it includes four tasks and separately lists ongoing support to the State Agencies regarding the Company’s regional transmission planning activities via the Colorado Coordinated Planning Group (“CCPG”). In the body of the SOW, however, assistance with the CCPG is included within Task 2—providing State Agencies professional development to increase analytical capabilities. (*See* SOW, pp. 10-11).

¹⁸ ITA SOW, pp. 2-3 (citing Proceeding No. 24A-0560E).

¹⁹ ITA SOW, p. 4.

reviewing the directives for supplemental direct testimony set forth in Decision No. C24-0956-I, it cannot meet the deadline. The Company argues an extension of the supplemental direct deadline will provide the Company the necessary time to produce the supplemental direct testimony and will ensure the Commission and parties receive the additional information as soon as possible. Public Service reiterates that none of the parties oppose the procedural schedule, including the extended deadline for supplemental direct testimony.²⁰

14. The Company also states that, to accommodate this updated procedural schedule, the parties agreed to modified discovery procedures of a five business-day deadline to respond to discovery served on the Company's rebuttal testimony and on any intervenor cross-answer testimony.²¹

15. Regarding the conferral with CDPHE, the Company states that it conferred with Staff and CDPHE to determine whether a neutral verification review per § 40-2-125.5(7), C.R.S., is possible and establish timelines for the remaining schedule.²² To manage the scope of CDPHE's involvement, Staff and Public Service have agreed that CDPHE should verify the Base Portfolio (both social cost of carbon and \$0/CO2) for Phase I, and would verify all presented portfolios in Phase II using the same schedule for verification as was used in Proceeding No. 21A-0141E. If CDPHE agrees to this role, Company and Staff would provide a verification date for the Phase I portfolio through a supplemental notice filing.

²⁰ Notice, pp. 5-6.

²¹ Notice, p. 3.

²² In relevant part, § 40-2-125.5(7), C.R.S. provides that any ERP submitted after approval of the CEP must include an update on the progress made toward the approved CEP. Also, the Commission "may solicit input from the division of administration for assistance in evaluating the emission reductions associated with any future electric resource plan and consistent with the clean energy targets of this section."

16. Finally, Public Service requests the Commission waive response time to the Motion under Rule 1308(c). The Company notes the Motion is unopposed.²³

C. Discussion

1. ITA SOW

17. Overall, the Commission is encouraged by the ITA SOW. The ITA has considerable independence from the Company, and having outside transmission expertise support Staff's advocacy and answer technical questions from UCA and CEO should increase the analytical capabilities of these parties to evaluate power flow modeling and other transmission issues, as the Phase II Decision intended. Nevertheless, we find it necessary to direct certain modifications and clarifications to the ITA SOW.

18. First, the SOW requires the ITA to host up to four workshops for the State Agencies to address issues and questions related to the assessment of utility transmission planning.²⁴ Although the ITA SOW only anticipates workshops for the State Agencies, this workshop series could also be valuable to the Commission's advisory staff to better understand aspects of the transmission planning process. Therefore, the ITA SOW shall be modified such that at least a portion of one of the workshops be conducted in a manner similar to general training outside of any current, specific proceeding, akin to a publicly accessible Commission Information Meeting. This open portion of the ITA workshop will avoid specific aspects of any currently ongoing proceedings (*e.g.*, this JTS Proceeding as well as the Denver Metro CPCN Proceeding). At the conclusion of the open portion of the ITA workshop, the State Agencies and the ITA could continue the workshop in a private format without the participation of the Commission's advisory

²³ Notice, p. 6.

²⁴ ITA SOW, p. 10.

staff or a public recording. We further encourage, but do not require, the State Agencies to similarly conduct any additional ITA workshops so that members of the Commission's advisory staff could participate in a portion of the workshops. The initial publicly available workshop shall begin prior to April 18, 2025 (the due date for Answer Testimony).

19. In addition, when setting forth how the ITA will support Staff's advocacy, the SOW specifies the ITA will help evaluate the Company's "Base Case inputs."²⁵ We are concerned this could unduly restrict what the ITA can evaluate, especially if it is determined that a different forecast offers more realistic inputs than the Company's base case inputs. In Decision No. C24-0941-I, we indicated the Company's "base and low forecasts are likely more appropriately the 'high' and 'base' forecasts" and directed the Company to provide a "lower low" forecast through supplemental direct.²⁶ Limiting the ITA's analysis to what is essentially the Company's high forecast could significantly impact the ITA's usefulness. The Commission thus directs the ITA SOW be modified so that Staff has discretion as to which inputs the ITA evaluates.

20. Relatedly, the ITA SOW shall explicitly state the scope of the ITA's review of the Company's JTS includes all supplemental direct testimony relevant to transmission planning submitted in this Proceeding.²⁷ We expect the Company's supplemental direct testimony will provide important additional information on several topics that relate to transmission (*e.g.*, the lower load growth scenario, potential impacts of dynamic line ratings, and additional transmission

²⁵ ITA SOW, p. 7.

²⁶ Decision No. C24-0941-I, ¶ 43.

²⁷ We expect that consideration of supplemental direct testimony would also be appropriate for the anticipated work in the Denver Metro CPCN, and this should be included in the updated SOW filed in this Proceeding. Future orders in the Denver Metro CPCN Proceeding can address if further notifications and filings in that proceeding are needed as that proceeding moves forward.

connections).²⁸ It is important that the ITA consider such additional information while performing its duties under the SOW.

21. As noted above, the ITA SOW requires any ITA subcontractors to go through Xcel Energy's contractor screening and review process.²⁹ However, the SOW contains no explanation as to what this screening and review process entails and whether it is different from the process to which the ITA itself is presumably subject. We thus require Public Service to include additional information regarding Xcel Energy's contractor screening and review process to ensure this process in no way impedes the independence of any ITA subcontractor.

22. The ITA SOW states that the ITA will provide consulting services or "office hours" to UCA and CEO. The SOW specifically provides that "[o]ffice hours for each agency shall be limited to 10 hours per month during each phase of the JTS electric resource plan (or 50 cumulative hours across the two phases)."³⁰ As written, it is unclear whether UCA and CEO each have 50 hours, or whether UCA and CEO each have 25 hours for a total of 50 hours. While the Commission declines from providing a specific interpretation at this juncture, we flag this ambiguity as something the parties should consider making clear to ensure State Agency expectations of the ITA are met.

23. We note the SOW does not include an estimated budget for the ITA services. Omitting the estimated budget at this juncture is unsurprising given Staff and Public Service are currently vetting several ITA candidates. Nevertheless, we clarify that the estimated costs of the ITA must be provided in the final SOW after an ITA is selected. The costs must be broken down between proceedings.³¹ The Commission should be able to understand the estimated costs of the

²⁸ See Decision No. C24-0956-I establishing requirements supplemental direct testimony.

²⁹ ITA SOW, p. 4.

³⁰ ITA SOW, p. 8.

³¹ The final SOW can also identify costs for any general training or other activities.

ITA for the JTS Proceeding (*i.e.*, Task 1 and Task 2). The ITA costs associated with the Denver Metro CPCN Proceeding (*i.e.*, Task 3) should be included in any updated filing, but may be further noticed or otherwise addressed separately in Proceeding No. 24A-0560E through separate orders in that proceeding.

24. Procedurally, as noted above, Staff has indicated that it intends to simply file a notice of hiring when the ITA is selected, similar to the process used in the Colorado Power Pathway Proceeding for the retention of an independent engineer. The Commission agrees with this approach and clarifies that the final SOW, incorporating the modifications and clarifications set forth in this Decision, shall be filed in this Proceeding as soon as it is finalized after retention of an ITA. While Staff should file this final scope of work as soon as it is finalized, this must occur no later than February 28, 2025.³²

25. Ultimately, we emphasize that the State Agencies' efforts regarding the ITA should focus on how to best integrate transmission planning with the acquisition of additional generation and storage resources. This includes analyzing how the timing and location of additional generation and storage resources may minimize transmission expense. By the end of Phase I, we should ideally have a proxy credit or some other tool that can transparently show the value of locating certain types of resources in specific areas such that overall costs (*e.g.*, generation and transmission costs) are minimized. We likewise encourage the State Agencies to use the ITA to evaluate alternatives to transmission investment, including whether increasing generation capacity within certain areas of the distribution system or increasing load factors in a particular distribution zone would negate the need for some other upgrade.

³² Future filings and notices may be directed through separate order if needed for specific clarifications of ITA participation in the Denver Metro CPCN Proceeding.

2. Procedural Schedule and Hearing Procedures

26. We commend the parties for reaching a consensus procedural schedule. As with the ITA SOW, however, we find it necessary to make certain modifications and clarifications. First, with the proposed settlement deadline of Thursday, June 5, 2025, the Commission would likely have insufficient time to review any settlement prior to the start of hearing on Tuesday, June 10, 2025. The Commission therefore amends the deadline for settlements and stipulations to Monday, June 2, 2025, at 12:00 p.m. We also require testimony supporting any settlement to be filed concurrently on June 2, 2025, at 12:00 p.m.; however, if settlement testimony cannot be filed by that date, Public Service should provide a date and explanation of when settlement testimony will be filed, together with requested modifications to the hearing; *e.g.*, to vacate certain hearing dates or move the start of the hearing.

27. In addition, the consensus schedule does not contemplate a witness list and cross-examination matrix. We set a May 30, 2025 deadline for the submission of a witness list and cross-examination matrix.

28. As for the Company's request to extend the supplemental direct deadline to February 21, 2025, we grant this request given the scope of the supplemental direct and the fact that the extended deadline is both unopposed and part of a larger consensus procedural schedule. We clarify, however, that as part of the directive to provide a lower-load forecast in supplemental direct, the Company must include an alternative transmission analysis. Currently, the JTS Transmission Study submitted as part of the Company's direct testimony includes power flow analysis using both the Company's Base Load Forecast and the Low Load Forecast.³³ In its

³³ HE 105 (Siebenaler Direct), p. 23.

supplemental direct testimony, the Company shall provide an updated transmission analysis that uses the lower-load forecast.

29. The Commission initially set the January 31, 2025 deadline based on the Company's own representations that most of the supplemental direct could be submitted by then.³⁴ While these representations were made prior to the issuance of Decision No. C24-0956-I setting forth the full suite of supplemental direct requirements, the extension of the deadline to February 21, 2025, is significant. It is our expectation that there will be no further significant delays from the Company in filing the required supplemental direct, including the transmission analysis of the lower-load forecast. Nevertheless, if the Company finds that it needs a further extension of a limited portion of the supplemental direct, the Company can as always confer with parties and file an appropriate motion.

30. In sum, the Commission adopts the below procedural schedule for this Proceeding:

Date	Deadline/Action
February 21, 2025	Supplemental Direct
April 18, 2025	Answer Testimony
May 23, 2025	Rebuttal and Cross-Answer Testimony
May 30, 2025	Corrections, Pre-hearing Motions
May 30, 2025	Witness List and Cross-examination Matrix
June 2, 2025, at 12:00 p.m.	Stipulations and Settlement Agreement
June 2, 2025, at 12:00 p.m.	Testimony supporting any Settlement Agreement, or proposed Testimony filing date and hearing modification request
June 10-13, ³⁵ 17-18, 20, ³⁶ and hold June 23 and June 24 on an as-needed basis	Evidentiary Hearing
July 14, 2025	Statements of Position

³⁴ Public Service's Response to Decision No. C24-0872-I, filed on December 4, 2024, p. 3.

³⁵ To accommodate the regularly scheduled CWMs, the hearing will commence at 1:00 p.m. on June 11, 2025, and June 18, 2025.

³⁶ Consistent with the proposed consensus procedural schedule, on June 20, 2025, the hearing will last from 9:00 a.m. to 12:00 p.m.

31. In order to accommodate the above procedural schedule, we find the additional time permitted in § 40-6-109.5(1), C.R.S., is required in this Proceeding. We therefore extend the decision deadline in the Proceeding by the permitted 130 days allowed by statute.

32. The Commission appreciates Staff and Public Service continuing to work with CDPHE to confirm the scope of its participation in this Proceeding. We agree that having CDPHE verify the Base Portfolio for Phase I and verify all presented portfolios in Phase II using the same schedule for verification as was used in Proceeding No. 21A-0141E seems like a reasonable approach. We further look forward to the submission of a supplemental notice filing that confirms these details, including the submission date for the Phase I verification.

33. We likewise acknowledge and have no concerns with the parties' agreement to adopt modified discovery procedures for discovery served on the Company's rebuttal testimony and on any intervenor cross-answer testimony.

34. Given that the Notice Public Service filed, including embedded motions for modification regarding the procedural schedule, is unopposed, we find good cause to waive remaining response time pursuant to Commission Rule 1308(c).

35. The evidentiary hearing scheduled for this Proceeding will be conducted using the Zoom platform. To minimize the potential that the remote hearing may be disrupted by non-participants, Commission staff will distribute the link and meeting ID, or access code, to attend the hearing to the parties by email approximately one week before the hearing, and the parties and witnesses are prohibited from distributing that information to anyone not participating in the hearing.

36. Attachment A to this Decision provides the information addressing how to use the Zoom platform for participating in the remote evidentiary hearing scheduled in this Proceeding.

Attachment B provides detailed instructions governing the preparation and presentation of exhibits at hearing. The parties shall review and follow all requirements in this Decision and Attachments A and B, which are incorporated into and made part of this Decision.

37. Hearing exhibits shall be marked numerically and sequentially for identification by the filing parties within their respective blocks of numbers. In order to efficiently organize the numbering and preparation of exhibits for the hearing, all parties shall use a unified numbering system for all hearing exhibits. Parties should not duplicate hearing exhibits or attachments previously filed by another party.

38. The party initiating the proceeding is assigned hearing exhibit numbers 100 to 299.

39. Each intervening person or entity is assigned a block of 100 hearing exhibit numbers (*e.g.*, 300-399, 400-499, etc.) in the chronological order that notices of intervention by right and petitions for permissive intervention are filed, as reflected in the Commission's E-Filings System. As a result, the first person or entity noticing an intervention by right or requesting permissive intervention is assigned hearing exhibit numbers from 300 to 399, the second person or entity is assigned hearing exhibit numbers from 400 to 499, etc. Parties shall rely upon the Commission's E-Filings system to determine sequencing of requests for intervention (*i.e.*, without regard to whether or when the interventions were granted). To determine the sequencing and avoid duplicative use of blocks, parties are encouraged to confer as needed.

II. ORDER

A. It Is Ordered That:

1. The Scope of Work ("SOW") for the Independent Transmission Analyst ("ITA") that Public Service Company of Colorado ("Public Service"), Trial Staff of the Public Utilities Commission ("Staff"), the Colorado Office of Utility Consumer Advocate, and the

Colorado Energy Office jointly filed December 31, 2024, is modified consistent with our directives and clarifications set forth above.

2. Staff shall file the final SOW, incorporating the modifications and clarifications set forth in this Decision, as soon as it is finalized after the retention of an ITA, but no later than February 28, 2025.

3. The procedural schedule set forth in the Notice of Conferral and Unopposed Motion to Modify Supplemental Direct Testimony Deadline and Request for Waiver of Response Time (“Notice”) that Public Service filed on January 17, 2025, is adopted, with the modifications and additions set forth in the discussion above.

4. Public Service’s unopposed request for extension to file supplemental direct testimony no later than February 21, 2025, embedded in the Notice, is granted, consistent with the discussion above.

5. A remote evidentiary hearing is scheduled in this Proceeding as follows:

DATE: June 10-13, 17-18, 20, and 23-24, 2025

TIME: 9:00 a.m. to 5:00 p.m. on June 10, 12-13, 17, and 23-24;
1:00 p.m. to 5:00 p.m. on June 11 and 18; and 9:00 a.m. to
12:00 p.m. on June 20, 2025.

PLACE: Join by video conference using Zoom

6. The decision deadline in this Proceeding is extended by the additional 130 days pursuant to § 40-6-109.5(1), C.R.S.

7. All participants must comply with the requirements in Attachments A and B to this Decision.

8. The parties and witnesses are required to participate in the evidentiary hearing by video conference using Zoom. The parties must ensure that they and their witnesses are ready and

able to participate in the evidentiary hearing by video conference, including presenting evidence electronically during the hearing using Zoom.

9. The parties are responsible for sharing the Zoom link, meeting ID code, and passcode to witnesses and others participating in the hearing. Participants in the hearing may not distribute the link, meeting ID code, and passcode to anyone not participating in the hearing.

10. For purposes of the Notice, remaining response time is waived.

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

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
January 22, 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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MEGAN M. GILMAN

TOM PLANT

Commissioners