

Decision No. C25-0341

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25AL-0146E

IN THE MATTER OF ADVICE LETTER NO. 1980 - ELECTRIC FILED BY PUBLIC SERVICE COMPANY OF COLORADO TO REVISE ITS COLORADO P.U.C. NO. 8 - ELECTRIC TARIFF TO INCREASE THE TRANSMISSION COST ADJUSTMENT RIDER, TO BECOME EFFECTIVE MAY 2, 2025.

**COMMISSION DECISION SUSPENDING EFFECTIVE
DATE OF TARIFF SHEETS, REFERRING THE MATTER
TO AN ADMINISTRATIVE LAW JUDGE, AND
ESTABLISHING NOTICE AND INTERVENTION PERIOD**

Issued Date: May 1, 2025

Adopted Date: April 30, 2025

IMPORTANT NOTICE: ANY PERSON DESIRING TO PARTICIPATE ONLY BY MAKING A STATEMENT MAY DO SO BY SUBMITTING A WRITTEN COMMENT THROUGH <https://puc.colorado.gov/> INDICATING PROCEEDING NO. 25AL-0146E. IF YOU DESIRE TO ASK QUESTIONS OF A WITNESS OR OTHERWISE PARTICIPATE AS A PARTY IN THIS MATTER, YOU MUST REQUEST PERMISSION FROM THE COMMISSION TO BE AN INTERVENOR (EVEN IF YOU HAVE ALREADY FILED AN OBJECTION). ANYONE DESIRING TO INTERVENE MUST CAREFULLY FOLLOW THE LAW AND COMMISSION RULES FOR BECOMING AN INTERVENOR. FOR FURTHER INFORMATION ON HOW TO INTERVENE, CALL (303) 894-2070 (PUC EXTERNAL AFFAIRS OFFICE).

I. BY THE COMMISSION

A. Statement

1. On April 1, 2025, Public Service Company of Colorado (“Public Service” or the “Company”) filed Advice Letter No. 1980 - Electric to modify its Transmission Cost Adjustment (“TCA”) for the purpose of reconciling revenue collections with eligible spending associated with distribution system-related activities and investments in 2024.

2. By this Decision, the Commission sets for hearing the tariff sheets filed under the Advice Letter and suspends their effective date to August 30, 2025.

3. We refer the matter to an Administrative Law Judge (“ALJ”).

4. A pleading to intervene in this matter may be filed by any person, firm, or corporation desiring to be a party and fully participate in this Proceeding no later than May 30, 2025.

B. Discussion

5. By its Advice Letter filing, Public Service proposes to update the TCA applicable to all electric base rate schedules in the Company’s Colorado P.U.C. No. 8 – Electric Tariff for customers taking distribution service, to become effective May 2, 2025. The updated TCA represents a “true-up” of costs and revenues that the Company has recovered associated with electric distribution system-related activities and investments from the effective date of Senate Bill (“SB”) 24-218 through December 31, 2024.

6. Public Service provides a description of the qualifying distribution costs subject to TCA recovery in the actual revenue requirement for 2024, including capital additions by month from May through December 2024. The Company states that the revenue requirement complies with the applicable statutory cap under § 40-2-132.5(4)(d), C.R.S., which requires a 0.5 percent retail rate impact cap on an annualized basis, or a revenue cap of \$17,045,585.

7. Public Service also provides a description of additional expenditures on equipment to advance distribution activities (“EADA”) as provided under § 40-2-132(4)(d)(VI), C.R.S. The revenue requirement of \$421,137 is for power transformers, service transformers, capacitor banks, switch cabinets, and feeder cables for “achieving economies of scale, addressing supply

chain concerns, or other similar purposes” that the Company is allowed to recover through the TCA pursuant to SB 24-218.

8. Based on these figures, Public Service concludes that the actual 2024 costs to be “trued-up” are \$17,466,722 as compared to an estimate of \$17,111,227, for a cost reconciliation of \$355,495. In addition, the applicable Over/Under Recovery Amount, defined as the difference in the 2024 TCA revenues received of \$16,848,7966 as compared to the \$17,111,227 of revenues intended to be recovered, totals \$262,431. Accordingly, the revenue effect of this TCA advice letter filing is a net increase in annual revenue of \$617,926, to be recovered May 2, 2025, through December 31, 2025, compared to the rates currently in effect.

9. Public Service filed Advice Letter No. 1980 with direct testimony of two witnesses.

10. On April 24, 2025, Trial Staff of the Colorado Public Utilities Commission (“Staff”) filed a protest. Staff asks the Commission to set the matter for hearing and suspend the effective date of the tariff sheets filed with Advice Letter.

11. Staff states that the revenues and costs under consideration for this true-up are the 2024 TCA advice letter filing in Proceeding No. 24AL-0282E. Staff explains it raised concerns last June that the limited information provided in that earlier filing was insufficient for the Commission to determine whether the requested rate increase resulted in TCA rates that were just, reasonable, and in the public interest. Staff requests the Commission suspend the proposed tariff’s effective date for the 2024 TCA true up and set the matter for hearing.

12. Staff describes this proposed adjudication as the expected progression from the Commission’s earlier decision in Proceeding No. 24AL-0282E denying Staff’s request for suspension and hearing, such that Staff now will have the opportunity to review 2024 revenues and expenditures in this true-up process. Staff specifically intends to review whether the

Company's implementation of the TCA is consistent with the Commission's direction provided in Decision No. C24-0720, issued in a Miscellaneous Proceeding that was opened after 2024 TCA was adjusted in Proceeding No. 24AL-0282E, and the "retail rate impact cap" provisions of SB 24-218, codified at § 40-2-132.5(4)(d)(II)(A)-(B), C.R.S.

C. Conclusions and Findings

13. Pursuant to § 40-6-111(1), C.R.S., the Commission may suspend tariff sheets for 120 days. Based on our review of the filing and the protest submitted by Staff, we find good cause to suspend the tariff sheets submitted with Advice Letter No. 1980 - Electric for 120 days through August 30, 2025, and to set the matter for hearing.¹

14. We refer this matter to an ALJ.

15. A pleading to intervene may be filed by any person, firm, or corporation desiring to be a party and fully participate in this Proceeding, as ordered below. The filing of any other document protesting the tariff sheets shall not allow participation as an intervenor in this matter.

II. ORDER

A. The Commission Orders That:

1. The proposed May 2, 2025, effective date of the tariff sheets filed with Advice Letter No. 1980 - Electric, filed by Public Service Company of Colorado ("Public Service") on April 1, 2025, is suspended until August 30, 2025, or until further order of the Commission.

2. The matter is referred to an Administrative Law Judge ("ALJ"). The ALJ shall set a hearing date, rule on interventions, and establish other procedures by separate decision(s).

¹ Under § 40-6-111(1)(b), C.R.S., the Commission may by separate order extend the suspension period for an additional 130 days, for a total of 250 days, through January 7, 2026.

3. Any person, firm, or corporation, including any who have previously filed a document protesting the proposed tariff pages, who desire to intervene and participate as a party in this Proceeding shall file a motion to intervene with the Commission no later than **May 30, 2025**, and shall serve a copy of the notice or motion on Public Service's attorney of record.

4. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
April 30, 2025.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners