

## STARTING POINT



By Doug Dean  
Director

Although it's still summer by the calendar, it's not too early to start thinking about the approach of colder weather—and the heating bills that will accompany the dropping temperatures.

Indications are that natural gas prices will be higher this winter than a year ago. Wholesale market prices in early August were ranging from 23–39 percent higher than they were at the same time in 2004, depending on which market index was used. Wholesale natural gas prices this winter could approach, or even surpass, the record highs reached in 2000–2001.

Whenever there is a spike in natural gas prices, the PUC invariably fields numerous calls and complaints from customers concerned about their monthly heating bills. Usually they blame their gas utility, which they perceive as reaping excessive profits from soaring natural gas prices. This, however, is a misconception.

Wholesale natural gas prices were deregulated by the federal government in the 1980s and 1990s. Neither the PUC nor the regulated utilities have control over wholesale gas prices. These prices are market driven and can be extremely volatile. Utilities obtain their gas supplies in this unregulated market and pass these costs on to their customers on a dollar-for-dollar basis.

Utilities will use a number of price mitigation strategies—such as storage, hedging and long-term contracts—to try to keep gas costs down. But the utility does not make any profit from the natural gas commodity itself. It is the independent gas producers and marketers that benefit from higher prices.

Regardless of where the profit goes, it is consumers who ultimately bear the burden of high gas prices. Consumers should begin taking whatever steps they can now to brace themselves for the impact of higher heating bills this winter.

Here are some steps that consumers can take to manage their winter gas bills:

- Sign up for bill payment plans, such as budget billing or average monthly billing programs, that allow consumers to reduce their winter gas bills by paying more during other times of the year when gas consumption is typically much lower.
- Invest in home energy efficiency (weatherization) measures and employ other conservation techniques—such as lowering the furnace and water heater temperatures, changing furnace filters, using

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## PUC approves Qwest regulatory plan

*Limited oversight for most retail services in competitive areas*

A new regulatory plan that lifts Public Utilities Commission (PUC) oversight of most Qwest telephone services except primary residential lines, lines for small businesses and some “public interest” calling features could be in place by the end of the year.

The PUC in June approved with only minor modifications an agreement filed by Qwest, PUC staff and the Colorado Office of Consumer Counsel. The agreement provides Qwest with pricing freedom for some telecommunications services where consumers have competitive choices.

“This settlement is a sensible, modest step toward less regulation,” PUC Chairman **Greg Sopkin** said. “I think the Commission, by approving most aspects of the settlement, recognizes the reality of today’s competition—that



Greg Sopkin

*“This settlement is a sensible, modest step toward less regulation.”*

PUC Chairman Greg Sopkin

most consumers have a choice of wire-line, cable, wireless and Internet modes of communication.”

Under the decision, the PUC retains full regulatory control over the first line at a residence and basic service to businesses with five lines or less across the state.

Additional residential lines in areas outside of “zones of competition” also would remain under full PUC oversight, as would “public interest features and services,” which include per-call blocking, per-line blocking, call trace, busy line verification, busy line interrupt, non-listed and non-published services.

The agreement defines “zones of competition” as the following Qwest exchanges: Denver Metro, Longmont, Lafayette, Louisville, Broomfield, Erie Parker and Colorado Springs except for Black Forest, Manitou, Green Mountain Falls and Woodland Park wire centers in the Colorado Springs exchange.

Additional residential lines inside the “zones of competition,” and service to businesses with six or more lines

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## Xcel seeks \$33 million gas rate hike

The Colorado Public Utilities Commission (PUC) will hold a two-week hearing in December on a proposal by Xcel Energy to increase its natural gas distribution rates by about \$33 million.

At a pre-hearing conference in August, the PUC scheduled Dec. 5–16 for hearings on the proposal, which would increase overall customer bills by about 3 percent. The hearing will take place at the PUC offices, 1580 Logan St., in Denver.

Xcel has not had an increase in natural gas base rates, which exclude the cost of the natural gas commodity, since 2000. As a result of a rate case filed in 2002, the PUC reduced the company’s gas base rates by \$33 million. In its application, Xcel stated that it has invested more than \$328

million in natural gas infrastructure since the last rate case to meet its customers’ needs.

The base rates for the natural gas distribution system are separate from the rates for the gas commodity itself, which are passed on to customers on a dollar-for-dollar basis through a separate monthly charge. Xcel receives no profit from the monthly gas cost adjustment.

Under its proposal, a typical residential customer’s bill would increase by \$1.90 per month, or about \$23 per year. The average bill for a commercial customer would increase by \$8.42 per month, or about \$101 per year.

As part of its filing, Xcel also is proposing a change in the design of its rates. Currently, residential customers are billed a fixed monthly service and

facility charge of \$8.54 and are charged \$0.093 for delivery of each therm of natural gas that passes through the meter. The company has proposed to increase the service and facility charge to \$13.14 per month and decrease the per-therm delivery charge to \$0.053.

For commercial customers, the fixed service and facility charge would increase from \$15.38 to \$22.60 per month, and the delivery charge would increase from \$0.087 to \$0.091 for each therm.

Anyone wishing to submit written comments on Xcel’s proposal may send them to the PUC, 1580 Logan St., OL2, Denver, CO 80203. Comments should be addressed to Docket No. 05S-264G and should be received prior to Dec. 5.

The PUC must issue its decision on Xcel’s proposed rates by Feb. 6, 2006.

## PUC declines to hear gas compressor case

The Colorado Public Utilities Commission in August declined to hear a petition from Xcel Energy seeking an order declaring that an additional temporary natural gas compressor must be installed at the company’s Louisville Compressor Station in Boulder County.

The PUC ruled that it would not be proper or useful to issue a decision on the public need for such a facility before Boulder County decides on Xcel’s application for a land-use permit. The county’s decision is expected on Sept. 29.

Xcel indicates that it needs to build the additional compressor so that the company will be able to provide reliable natural gas service to Boulder, Summit, Grand and other counties served by Xcel’s Mountain/Southern pipeline system during the coldest peak days this winter. The company states that it needs to begin construction by Oct. 31 in order

to meet an in-service date of Dec. 16.

Boulder County Commissioners in June denied Xcel’s request to construct a new permanent natural gas compressor station at a new location near Marshall and directed the company to first consider upgrading or expanding the existing Louisville facility. Xcel said it was preparing two new permit applications for the permanent compressor for consideration by Boulder County. However, since a review of those filings will not be completed in time to allow for construction this fall, Xcel also had filed for a permit to build the additional temporary compressor at the Louisville station.

Although Xcel said it “expects Boulder County to grant the company a permit for the temporary compressor at Louisville Station” at the county commissioners’ meeting on Sept. 29, it requested a PUC determination of the public need for the compressor in order

to expedite an appeal if Boulder County denies the permit application.

Under Colorado law, utilities may appeal to the PUC if a local government denies a permit or application that relates to the location, construction or improvement of major electrical or natural gas facilities, or imposes unreasonable conditions on such a permit or application.

However, in denying the petition for the declaratory order, the PUC said there was nothing to be gained by issuing such an order prior to the county’s decision. The PUC commissioners noted that a decision on public need alone would have no relevance in a utility appeal because the standards of review under the land-use appeals process were different.

The PUC also said that if an appeal was filed, it could expedite the proceeding to ensure that a timely decision was issued.



# Complaint unit fields calls concerning 137 utilities

The PUC's External Affairs section answered 11,248 phone calls, closed 4,527 contacts and saved consumers \$517,625 for the most recent fiscal year.

According to the section's annual consumer assistance summary, the staff addressed inquiries regarding 137 different telecommunications, gas, electric and water utilities in its efforts to resolve a wide variety of consumer concerns. The staff received 4,495 contacts and closed 4,527 for the period from July 1, 2004, through June 30, 2005.

A contact is a phone call, letter or e-mail that requires some follow-up action from the External Affairs staff. The number of contacts received and closed is not the same because a contact is not necessarily closed within the time frame indicated.

The number of closed contacts decreased from the previous year's 6,001, allowing the section to transfer

one full-time employee from consumer telephone inquiries to the PUC's newly-formed compliance unit in the Utilities section. The staff also provided support for the agency's extensive rules recodification project by reviewing and providing input regarding consumer rules for gas, steam, electric, master meter operator and telecommunications rules hearings, according to **Doug Platt**, consumer complaints supervisor.

For the fiscal year, the section closed 1,056 complaints concerning Qwest, down from last year's total of 1,294. The PUC closed 1,382 complaints relating to Xcel Energy, compared to 1,824 contacts during the previous fiscal year. Staff identified a significant increase in non-compliant billing complaints against Xcel—mainly a result of the implementation of a new billing system beginning in June of 2004.

When closing contacts, the staff determines the appropriate category. If

it is a general inquiry, the contact is closed as an "information" request. If the complaint is in opposition to a proposed rate increase of a utility's services or actions, it is counted as an "objection." If during the investigation of the complaint, it is found that the utility has not followed PUC rules or regulations, the complaint is marked "not in compliance."

In addition, the PUC saw significant numbers of customer protests regarding a variety of high profile cases before the Commission, including the proposed deregulation of Qwest, Xcel's move to monthly gas cost adjustments, the implementation of renewable energy standards, and the change in cost allocation for Aquila. These inquiries are not represented in the caseload statistics.

Staff interventions resulted in consumer bill corrections, credits or refunds of \$517,625, compared

to \$567,604 a year ago.

The section handled 11,248 phone calls through the consumer complaint line for the fiscal year, compared to 14,582 the previous year. Not all of the calls become contacts because in many cases staff members are able to answer callers' questions immediately with no further action required.

Also for the fiscal year, the section handled 498 media contacts and issued 23 news releases. Of these media contacts, 165 concerned telecommunications issues, 245 related to energy issues, 46 related to transportation issues, and 42 involved miscellaneous issues.

The complete 2004-2005 Consumer Assistance Summary is available on the PUC website: [www.dora.state.co.us/puc/](http://www.dora.state.co.us/puc/) or by calling the External Affairs section at 303-894-2070 within the Denver metro area, or 1-800-456-0858 outside the Denver metro area.

## No-call sign-up suggested for both state, federal lists

As of July 1, Colorado residential telephone and wireless subscribers who do not want to receive telephone calls from telemarketers must add their telephone numbers to both the Colorado No Call List and the National Do Not Call Registry.

The Colorado No Call list, which was implemented in May 2002, has about 2.1 million telephone numbers on its

current list. The Federal Trade Commission (FTC), which administers the National Do Not Call Registry, has stopped taking transfers from state lists. The FTC accepted one final upload of data from Colorado in July, which included all Colorado numbers registered by June 30.

Colorado subscribers who put their numbers on the state list after June 30

and all future registrants should also register their numbers on the national list. Colorado subscribers wishing to add their numbers to both lists can do so on-line at [www.dora.state.co.us/puc/telecom/NoCallList.htm](http://www.dora.state.co.us/puc/telecom/NoCallList.htm).

The FTC will allow states to download numbers from the national list. *InsightAmerica*, which administers the state no-call program for the Colorado

Public Utilities Commission, will continue to download numbers on a quarterly basis. That means if a Colorado subscriber places a number on the national list only, it also will be transferred to the state list within three months.

Telemarketers are prohibited from calling a number that appears on the national registry 31 days after it has been put on the list. Telemarketers download numbers on the state list on a quarterly basis. Under both lists, certain types of telemarketing calls are allowed, including calls from businesses that have an existing relationship with a customer, political organizations and charities.

## INSIDE CONNECTIONS

Although the source is uncertain, **Jewel Beach** has a favorite quote that aptly reveals truth both on and off the job—"blessed are the flexible, for they shall not get bent out of shape."

As a Program Assistant in the PUC's Gas Pipeline Safety section, Jewel's daily routine quickly turns anything but routine when gas pipelines get bent out of shape.

"My day can get pretty exciting when I get a phone call that starts out with 'we need to report an explosion,'" she said. In those situations, Jewel quickly assesses the response needed, notifies appropriate PUC staff, and directs them to the correct location. "As long as no one is injured, I return to normal breathing within two hours or so." Fortunately, incidents that rise to that level are rare, she said.

The PUC's Gas Pipeline Safety section conducts the inspection and monitoring activities of intrastate gas pipeline systems to ensure compliance with state gas pipeline safety regulations. As the program assistant, Jewel provides administrative support for the section's four pipeline safety engineers.

She also helps prepare and submit the PUC's annual grant/certification to the Pipeline and Hazardous Material Safety Administration (formerly the federal DOT, Office of Pipeline Safety), and assists the section in providing training information and seminars for the operators of natural gas pipelines. Jewel has been with the PUC since 1987.

Away from the job, Jewel adheres to the tenet of flexibility to help her stay creative and tackle new challenges. An accomplished horsewoman, Jewel's antique trunk contains ribbons from barrel racing, pictures of her horse clearing a 6-foot, 2-inch jump, a cup from the National Western for the Amateur-Owner Hunter Stake class, a year-end accumulated points award for Half-Arabian English Pleasure, and several belt buckles for completing 50-mile endurance races. As another reminder of her equestrian *fun*, she also has endured 13 broken bones.

Jewel is a member of the Parker-Elizabeth Riding Club and the American Morgan Horse Association and volunteers for numerous events involving horse activities. She and her Morgan



Jewel Beach

mare, Breeze, are currently taking driving-cart lessons.

At some point down the road, Jewel plans to spend more time at Praying Hands Ranch working with handicapped children on horses. "I did that part time for two years and it is extremely satisfying," she said. "Seeing the progress these kids work so hard for is more exciting than an explosion."

(*Inside Connections* will feature a PUC employee each edition as selected by PUC section chiefs.)

## Qwest regulatory plan

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regardless of geographic area would fall under "market regulation," as would advanced features or services provided on business lines, packages and bundled service offerings, non-optional operator services, and private line services with a capacity of less than 24 voice-grade circuits (such as burglar alarms and traffic signals).

Market regulation would consist of minimal PUC oversight of services in this category. However, the PUC could re-impose traditional regulation on these services for good cause if problems arise.

"The Commission retains its after-

the-fact authority to address complaints about unjust or unreasonable pricing or undue discrimination, as well as the authority to reinstitute regulation if there are unforeseen consequences after implementing the new regulatory plan," Sopkin said.

The decision deregulates all in-state long distance for Qwest and establishes an expedited process for other toll providers to deregulate their long-distance services within Colorado as well.

As part of the decision, the existing credits for the Colorado High Cost Fund Surcharge—\$.46 per month on residential access lines and \$1.08 on business access lines—will be eliminated. These credits currently total about \$13 million per year. About \$1.8 million of the

revenue generated from the elimination of the credits will be used to offset the impact of the northern Colorado local calling area expansion. The remainder of the revenues will be used to reduce intrastate switched access rates, the fees Qwest charges long-distance providers to use its network.

The agreement retains some automatic remedies for service quality failures, including the customer specific credit equal to the monthly rate if the company fails to repair service within 24 hours of an outage.

Qwest is expected to file proposed tariffs incorporating the changes later this fall, with the PUC taking final action to implement the new regulatory plan by the end of the year.

## POSITIVE CHARGES

Special recognition to the following PUC employees who were recently recognized for their years of service to the state of Colorado:

5 years—**Raenette Rodriguez, Pam Fischhaber, Ted Barrett, Paul Niemi, Harry Di Domenico, Karl Kunzie, Polly Page, Bridget McGee-Stiles, Harriet Wiesenthal, Sharon Podein, Julio Edwards.**

10 years—**Doug Dean, Monita Pacheco.**

15 years—**Elizabeth Hayes, Billy Kwan, Deb Fajen.**

20 years—**Gary Gramlick, Terry Willert, Trudy Reinmuth.**

25 years—**Paul Hoffman.**

Welcome to new PUC employees **Harris Adams**, an Administrative Law Judge in the Administrative Hearings section; **Ron Davis**, an economist in the Utilities section; and **Pat Parker**, a rate/financial analyst in the Utilities section.

Congratulations to **Gary Klug**, who has been promoted to supervising engineer in the Utilities section. Klug will assume the responsibilities of his new position when **Warren Wendling** retires later this year.

CONNECTIONS is the newsletter of the Colorado Public Utilities Commission. It covers Commission cases and actions of importance to consumers, utilities, consumer groups and decision makers.

Comments, suggestions and requests for more information should be directed to:

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# Costs of failed nuclear plant no longer in rates

Colorado ratepayers of Xcel Energy no longer are paying for the Fort St. Vrain nuclear power plant.

An annual rider designed to collect a portion of the costs of dismantling the failed nuclear power plant more than a decade ago expired on July 1, 2005. The rider had been in place since 1993, following Public Utilities Commission (PUC) approval of an agreement between the company and consumer advocates.

The agreement allowed the company to include a fixed price for early dismantlement of Fort St. Vrain—approximately \$125 million over 12 years—while at the same time extracting rate concessions in other areas that more than offset any rate increase from the decommissioning, including donations to low-income energy assistance programs.

Public Service Company of Colorado (PSCo) shut down Fort St. Vrain, near Platteville, in 1989, 13 years after it began operating as the country's first



The former Fort St. Vrain nuclear plant near Louisville was converted to a natural gas generating station in the late 1990s. (Photo courtesy of Xcel)

gas-cooled nuclear power plant. The plant was beset with problems since the beginning of operations, leading the PUC to remove its costs from the company's rate base in 1986.

The physical decommissioning of

Fort St. Vrain was completed in 1996. The Nuclear Regulatory Commission released the site, with the termination of PSCo's nuclear license in 1997.

In 2001, the company completed a \$283 million repowering of the Fort St.

Vrain Generating Station as a natural gas-fired combined-cycle steam plant. The repowering added 720 megawatts of electric supply to the company's system, enough to serve approximately 750,000 Colorado consumers.

## Xcel proposes changes to quality of service plan

Xcel Energy is seeking to modify how it calculates outage minutes for purposes of potential bill credits under its quality of service plan for 2004–2006, and proposes to eliminate the automatic bill credits completely beginning in 2007.

Xcel proposed the changes in several filings with the Colorado Public Utilities Commission (PUC) that will go to hearing later this year.

Under the electric quality of service plan, the PUC requires Xcel to meet certain annual service standards in three categories—electric service unavailability (outages), customer complaints to the PUC, and telephone response time. If the

company fails to meet the standards in any of the categories, it must refund money to customers.

In its annual performance report earlier this year, Xcel calculated that it owed \$5.6 million of a possible \$11.2 million in bill credits for its 2004 outage times. However, the company adjusted its outage minutes to reflect improvements in its system used to capture outage data. Although the improvements resulted in more outage minutes being recorded, the company didn't include all of them in its calculations. Xcel said it shouldn't be penalized because its service level hasn't changed,

only its ability to more accurately capture outage data.

Xcel also has asked to make similar adjustments when it calculates its 2005 and 2006 outage performance. The PUC has consolidated these two filings into a single proceeding and has scheduled hearings for Oct. 31 through Nov. 3 in Denver.

In a separate application, Xcel has proposed to eliminate quality of service bill credits entirely for 2007 and 2008. Under terms of the merger agreement in which Xcel was formed in 2000, the current quality of service plan expires at the end of 2006. The company has proposed to replace it with a plan in which it

will monitor and report on outage and other quality of service measures, but will not be subject to the automatic bill credits. Xcel also has proposed to limit outages tracked under this plan to electric distribution system outages only.

At least 17 cities have intervened to participate in that case, including Denver, Boulder and Aurora. A procedural schedule with hearing dates has yet to be determined.

Including the \$5.6 million for 2004, Xcel has returned more than \$27 million to customers in the form of bill credits since the quality of service plan was implemented in 1997.

## Northern Colorado local calling expansion slated for Nov. 10

The implementation of expanded local calling area in northern Colorado is scheduled for early November.

The Public Utilities Commission (PUC) approved the expansion—which will consolidate much of the northern Front Range into a single local calling area—earlier this year. Qwest has been working for the past few months on making the necessary network changes, and has announced midnight of Nov. 9 as the cutover date. Calls within the new expanded local calling area that were previously long distance will be local calls beginning Nov. 10.

The new local calling area will include the Qwest exchanges of Berthoud, Eaton-Ault, Estes Park, Fort Collins, Gilcrest, Greeley, Johnstown-

Milliken, La Salle, Loveland, Mead, Platteville and Windsor in the 970 area code.

The city of Loveland spearheaded the drive to expand local calling in northern Colorado, citing a significant interdependence for business, transportation, media, education, leisure and human service needs in the region. The PUC agreed that a sufficient "community of interest" existed among the Fort Collins, Loveland and Greeley population centers to warrant an expansion of local calling.

Although local rates for Qwest customers will not change as a result of the expansion, the monthly bill credits for the Colorado Universal Service Fund surcharge that Qwest residential and

business customers have received for the past five years have been eliminated, with part of that money going to offset the costs of the local calling expansion.

The local calling expansion will not include customers of Nunn Telephone Company, which originally filed to be part of the expanded local calling area, but then decided not to participate in the proposal. Instead, Nunn Telephone will offer its customers an optional plan to the expanded calling area and measured local service to those who do not choose the optional plan.

Nunn Telephone customers will have the option of choosing an unlimited, flat rate calling plan for local calling into the expanded northern Colorado calling

area for \$11.25 a month in addition to the current basic residential service rate of \$20.56 per month or the current basic business service rate of \$30.86 per month. Nunn customers who do not take the optional calling plan will keep their current residential or business monthly rate and pay a measured rate of 11 cents per minute for calls into the expanded local calling area.

### Starting Point

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window coverings to slow heat loss through glass at night and to let in the sun's warmth during the day, and placing furniture next to inside walls instead of outside walls.

- Take advantage of energy assistance programs offered by different levels of government. Colorado customers who need help paying their bills should call 1-866-HEAT HELP after Nov. 1 to see if they qualify for assistance. We also encourage those who can afford it to contribute to Energy Outreach Colorado and other organizations that provide heating bill assistance.

High natural gas prices don't appear to be heading downward anytime soon. Customers should take steps now to insulate themselves as best they can from the effects of those prices in the coming months.

## State telephone surcharge increasing Oct. 1

A monthly charge paid by all Colorado telephone customers to help keep basic local service affordable across the state is going up on Oct. 1.

The Public Utilities Commission (PUC) in August approved an increase in the Colorado Universal Service Charge from 2.0 percent to 2.9 percent beginning the fourth quarter of 2005. Based on a local telephone bill of \$30 a month, the change will add another 27 cents to a customer's monthly bill.

The Colorado Universal Service Charge provides money for a fund to reimburse telecommunications providers that serve areas with higher than average costs. This allows local phone rates to remain reasonably comparable across the state.

All Colorado telecommunications customers pay the surcharge, which is assessed as a percentage of a customer's in-state monthly telecommunications charges for local, wireless, paging, in-state long distance and optional services.

The PUC reviews the fund on a quarterly basis and reports to the legislature each Dec. 1 on the previous year's contributions and disbursements, along with projections for the upcoming year. In its report last year, the PUC anticipated that the surcharge would need to be increased to 2.9 percent on April 1, 2005.

However, the PUC was able to maintain the 2 percent surcharge during the second and third quarters of 2005 due to an excess reserve balance in the fund.

But in order to maintain the appropriate reserve balance in the future and to offset a projected decline in contributions, the surcharge needs to be increased in the fourth quarter, said PUC fund administrator Susan Travis.

One reason for the projected decline in contributions is the growth of Voice over Internet Protocol (VoIP), which is not subject to the Colorado Universal Service Fund. More providers are incorporating VoIP in the provision of their services within Colorado, impacting contributions to the universal service fund.

The Colorado Universal Service Charge was established in 1999 at 3.2 percent of intrastate retail revenues and steadily decreased to the 2 percent level, where it has remained since Jan. 1, 2003.

# PUC approves 9-1-1 rate increases

*Two more authorities raising charge to \$1.25 beginning first of year*

The Colorado Public Utilities Commission (PUC) has approved two more requests from emergency telephone authority boards to increase monthly 9-1-1 surcharges in the state.

The PUC granted requests from Eagle County Emergency Telephone Service Authority Board and Clear Creek County to raise the 9-1-1 surcharges in their respective service areas from \$.70 to \$1.25 per month beginning Jan. 1, 2006.

The Vail Public Safety Communications Center receives and routes all 9-1-1 calls for Eagle County, dispatching calls to police departments in Vail, Avon, Eagle and Minturn; the Eagle County Sheriff's Department; Eagle County Animal Control; Vail and Beaver Creek Resort Security; Vail Mountain Rescue; four local fire departments and districts; and two ambulance districts. The Clear

Creek County Sheriff's Office Communications Center dispatches emergency calls for the sheriff's office, Clear Creek Fire Authority, Clear Creek Ambulance, Idaho Springs Police Department, Empire Marshall's Office and Georgetown Marshall's Office. It also manages incoming 9-1-1 calls for a portion of the Evergreen Fire Protection District and the Central City Parkway in both Clear Creek and Gilpin counties.

Both 9-1-1 authorities said the increases were necessary to cover increased operational costs and to provide enhancements to the systems to provide continued public safety support.

All wireline and wireless customers in Colorado pay a monthly surcharge to fund the equipment and operational expenses of the 9-1-1 system. Individual authority boards establish the amount needed to cover the costs of equipment, personnel and access to telephone lines. The surcharge is collected by the telephone provider and passed on to the authority boards.

Under Colorado law, a 9-1-1 authority board may assess a surcharge of up to 70 cents per customer per

month for 9-1-1 service without the permission of the PUC. Anything over that amount requires PUC approval.

The latest approvals bring to four the number of emergency telephone authority boards that will increase monthly 9-1-1 surcharges beginning in January. The PUC earlier this year granted requests from the Washington/Yuma County Emergency Telephone Service Authority Board and the Western Rio Blanca 9-1-1 Emergency Telephone Service Board.

Much of the need for additional money to cover 9-1-1 costs is the result of enhancements to emergency systems to provide exact location information for wireless 9-1-1 calls, said PUC engineer **Gary Klug**, who facilitates the state's 9-1-1 task force. Also, a significant increase in wireless 9-1-1 calls is cutting into operational budgets, without necessarily providing additional surcharge revenue. That's because the 9-1-1 surcharge is only assessed to wireless customers whose billing address is within the 9-1-1 authority area. Many wireless 9-1-1 calls are received from visitors or other customers who may just be passing through a county.

## 9-1-1 surcharges by county

911 Authority	Surcharge
Adams	0.70
Arapahoe	0.43
Archuleta	0.70
Aspen/Pitkin	0.70
Aurora (City)	0.70
Baca	0.70
Bent/Kiowa	0.70
Boulder	0.50
Chaffee	0.70
Cheyenne	0.70
Clear Creek	0.70*
Crowley	0.70
Custer	0.70
Delta	0.60
Denver	0.66
Douglas	0.70
Eagle	0.70*
Elbert	0.70
El Paso/Teller	0.70
Fremont	0.70
Garfield	0.70
Gilpin	0.75
Grand	1.00
Grand Junction	0.70
Gunnison/Hinsdale	1.00
Jackson	0.70
Jefferson	0.52
Kit Carson	0.70
La Plata	0.70
Lake	0.60
Larimer	0.45
Las Animas	1.25
Lincoln	0.70
Logan	0.70
Moffat	0.50
Montezuma	0.50
Montrose	0.70
Morgan	0.50
Otero	0.70
Ouray	0.70
Park	0.70
Phillips	0.70
Prowers	0.70
Pueblo	0.40
Rio Blanco East	0.70
Rio Blanco West	0.70**
Routt	0.70
San Juan	1.00
San Luis Valley	0.50
San Miguel	0.70
Sedgwick	0.70
Summit	0.70
Thornton (City)	0.70
Washington/Yuma	0.70*
Weld	0.50

\* Increasing to \$1.25 on Jan. 1  
\*\* Increasing to \$1.00 on Jan. 1

# Xcel files for increase in steam rates

*Steam system serves about 140 customers in downtown Denver*

Xcel Energy has filed a proposal with the Colorado Public Utilities Commission (PUC) to increase its annual steam service revenues by about \$3.4 million, or about 74 percent above its current steam revenues not related to fuel costs.

The company's proposal does not include a change to the level of fuel costs that are recovered separately through a Steam Cost Adjustment. When fuel costs are taken into consideration, Xcel's

proposed rates would increase customer bills by an average of 20.15 percent per month.

Xcel provides steam service to approximately 140 customers through its steam system in downtown Denver, primarily to commercial and multi-tenant residential buildings. The steam is used for heating purposes.

The company states in its application that its proposed increase in steam service base rates is intended to recover recent capital expenditures made by the company. Those improvements include a replacement boiler located at the State of Colorado Capitol Complex, relocation of its Stout Street Main Line due to the construction of the new Convention Center Expansion, and improvements in Denver

Steam Plant systems, as well as increases in operating and maintenance expenses.

Along with the proposed rate change, Xcel is proposing to change its rate structure for the recovery of non-fuel steam service costs. In addition to the Service & Facility Charge and Commodity Charge, which the company currently charges for steam service, Xcel proposes to include a third component—a Capacity Charge, which it says will provide more equitable rates based on costs.

The PUC was expected to suspend the rate proposal and set the matter for hearing later this year.

Customers who wish to provide written comments about the rate proposal can send them to the PUC, 1580 Logan St., Denver CO 80203.

# Low-income phone surcharge lowered July 1

The Colorado Public Utilities Commission (PUC) authorized a 5-cent decrease in the Low-Income Telephone Assistance Program (LITAP) monthly surcharge effective July 1, lowering the surcharge on each residential and business access line to 7 cents per month.

The LITAP fund, also known as the "Lifeline" fund, was established by the Colorado Legislature in 1990. It is used to offset the costs of providing local telephone service at a discounted rate for

some low-income customers.

Under the program, eligible subscribers receive a monthly discount equal to the greater of the federal Subscriber Line Charge, currently at \$6.50 per month, or 25 percent of the basic local service rate.

A decrease in the number of eligible LITAP subscribers and a change in the rules requiring all telecommunications carriers to participate in the program as of March 30, 2005, resulting in more

lines being assessed the surcharge, allowed the PUC to lower the monthly surcharge, which it reviews on an annual basis.

More than 30,000 customers received the LITAP discount in 2004. To be eligible for the discount, a person must receive Old Age Pension, Aid to the Blind, Aid to the Needy Disabled or Supplemental Security Income. The Colorado Department of Human Services determines eligibility.



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