

## STARTING POINT



By Doug Dean  
Director

Moving can be a stressful experience, and the last thing consumers need are problems caused by unscrupulous or unlicensed moving companies. By taking just a few precautionary steps in advance, consumers can prevent many moving day headaches.

Finding a reputable moving company is the first step. Ask your neighbors, friends, co-workers or relatives for recommendations about which mover to use. Consumers may call or go on-line to verify with the Public Utilities Commission (PUC) that the moving company has an active permit and the appropriate insurance. Consumers may also check with the Better Business Bureau to see if they have information about the company.

Consumers should obtain written estimates from several movers and compare costs and all other services to be provided by the mover. Movers are required by law and PUC rules to provide a written contract prior to the move, listing the services to be provided and the costs for those services. Do not sign blank or incomplete documents. Rates are not regulated by the PUC, but must be specified in the document.

Beware of estimates made over the phone. Most movers will need to see your goods in order to make an accurate estimate of the moving costs. Be suspicious of estimates that are significantly lower than the rest.

Know which company is actually providing the move. Some companies that advertise moving services are simply brokers that do not move goods. Obtain information about how to contact the mover before, during and after the move.

Find out what the mover's responsibilities are for damages that may occur to your belongings. Consumers should consider buying full-value protection for their goods, which means that if items are lost, damaged or destroyed, the mover either can repair them, replace them with similar articles, or make a cash settlement. The PUC has no jurisdiction over claims and damages; consumers must settle those issues with the mover's insurance company or in small claims court.

Movers may not withhold delivery of goods if the customer pays the fee as specified in the contract. Movers must accept at least two of the following forms of payment: (1) cash; (2) cashier's check, money order or traveler's checks; (3) personal check; or (4) credit card. Prescription medication, medical supplies and children's goods may not be withheld from customers under any circumstances.

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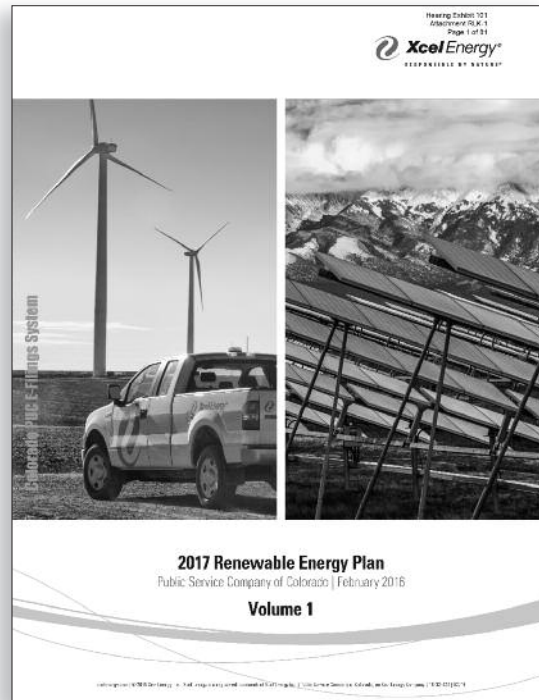
## Xcel submits renewable energy plan

Xcel Energy is proposing to acquire approximately 300 megawatts (MW) of additional on-site solar and community solar gardens over the next three years.

The solar proposal is part of the company's 2017–2019 Renewable Energy Standard (RES) compliance plan, filed Feb. 29 at the Public Utilities Commission (PUC). In addition to the acquisition of solar resources, Xcel proposes to reduce the premium for its WindSource program, and modify its Recycled Energy program for the development of combined heat and power facilities.

Under the state's renewable energy standard, Xcel must provide 30 percent of its electricity through renewable sources by 2020. All customers pay a 2 percent monthly surcharge on electric bills to fund renewable projects to meet the standard.

In its application, the company said it is already positioned to meet the state's renewable energy standard, in all respects, through 2020. The latest proposal goes beyond the minimum requirements to address growing customer preferences in renewable



Xcel Energy's proposed 2017–19 Renewable Energy Standard compliance plan includes changes to solar, wind and recycled energy programs.

energy offerings and adds clean energy to its system in an economically reasonable way, according to the company.

"(Xcel) believes this plan advances the goal of satisfying Colorado's growing energy needs in the most reliable, clean and affordable way possible," the application stated.

According to the company, the renewable energy account funded by the 2 percent surcharge will be sufficient to cover the costs for the 2017–2019 compliance years.

Xcel is proposing to add significant amounts of rooftop solar capacity to its Solar\*Rewards program in its small, medium and large categories over the three-year period, as well as increased amounts of community solar gardens through its Solar\*Rewards Community programs.

At least 15 entities have sought to participate in the proceeding, including several representatives of the on-site solar industry and certain developers of community solar gardens.

On April 15, the PUC assigned the proceeding to an administrative law judge to conduct hearings and issue a recommended decision. Hearings are likely to take place in late summer, with a decision expected later this fall.

## Rate design hearings slated for August

Hearings are scheduled in August at the Public Utilities Commission (PUC) on a proposal by Xcel Energy to implement new rate designs and rate structures for its electric customers.

The proposed changes are the initial steps in developing a long-term rate design that addresses changes in customer consumption due to evolving technology, and how the costs of the electric system should be allocated among various customer classes, the company stated in its filing.

A PUC administrative law judge has scheduled formal evidentiary hearings on the proposal beginning on Aug. 10 and potentially continuing through Aug. 23. Public comment hearings have been scheduled from 4–6 p.m. on June 9 at the PUC hearing room in Denver, 1560 Broadway, Suite 250; and from 4–6 p.m. on June 16 at the City of Grand Junction Auditorium, 250 N. Fifth St.

Members of the public may also submit written comments about the proposal by mail, email ([dora\\_puc\\_complaints@state.co.us](mailto:dora_puc_complaints@state.co.us)), or by using the PUC's on-line comment form at [www.colorado.gov/dora/puc](http://www.colorado.gov/dora/puc).

The PUC in 2015 approved a three-year electric rate plan that established an overall revenue requirement for Xcel through 2017. The proposed Phase II rate filing does not increase the company's overall revenue requirement, but changes how the costs of providing electric service are spread among the various Xcel customer classes.

Among the specific proposals included in the Xcel request:

- The introduction of optional time-of-use (TOU) rates for a subset of residential customers. This service would be available to a maximum of 10,000 customers in 2017, 14,000 customers in 2018, and 18,000 customers in 2019.

- Establishing a "grid charge" to recover distribution system costs for residential and commercial customers. The company is proposing to assess graduated charges that increase with a customer's average use over their past 12 billing periods.
- Instituting an on-peak demand charge for customers on Primary General (PG) and Transmission General (TG) service. This charge would be assessed on a customer's peak load during non-holiday weekdays from 2 p.m. through 6 p.m.
- Instituting a critical peak pricing option for large commercial and industrial customers. This service would be offered on a pilot basis, and total participation would be capped at 30 megawatts.

The company is requesting that any changes to tariffs and rate design take effect on January 1, 2017.

## PUC to look at transferring broadband funds

The Public Utilities Commission (PUC) has opened a proceeding to determine whether additional money can be transferred to the Broadband Deployment Board in 2016 to help provide high-speed, broadband networks in unserved areas in Colorado.

The PUC in April invited interested parties to submit comments on the amount of funds no longer necessary to support basic service that can be used for broadband access under a 2014 law.

As part of telecommunications reform legislation two years ago, the Colorado legislature expanded the purpose of the state's high cost fund to include supporting broadband

access in unserved areas. Previously, the high cost fund—which is provided through a 2.6 percent monthly surcharge on telephone bills—was used only to support companies providing basic voice service in rural, high-cost areas.

The new law precluded the PUC from providing high-cost support to telecom providers for basic voice service in areas found to have effective competition. The money no longer required for high cost support could be transferred to a broadband deployment board, the statute said.

In 2014, the PUC declared 56 CenturyLink wire centers in Colorado to be effectively competitive and

earmarked approximately \$3 million from the high cost fund for broadband support. However, that transfer was stayed by a lawsuit filed by CenturyLink against the PUC decision.

Late last year, the PUC approved a broad telecom settlement that resolved a number of issues related to the high cost fund and the determination of effectively competitive areas. As part of that settlement, CenturyLink agreed to withdraw its lawsuit against the 2014 high cost fund decision.

In its decision approving the settlement, the PUC also declared that an additional 46 CenturyLink wire centers were effectively competitive and no

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# Broadband board accepting applications

The Broadband Deployment Board within the Colorado Department of Regulatory Agencies (DORA) is now accepting applications for broadband infrastructure project grants that support the deployment of broadband internet service to unserved Coloradans in rural communities throughout the state.

Up to \$2.4 million in grants is available in its first application cycle. Information and applications are now available online at [www.colorado.gov/pacific/dora/broadband-fund](http://www.colorado.gov/pacific/dora/broadband-fund) and must be submitted by June 30, 2016.

Grants provided by the Broadband Deployment Board are a key component of the state's coordinated effort to expand broadband access to all Colorado citizens. According to the 2015 Federal Communications Commission report *Broadband Availability in America*, 71 percent of

Coloradans living in rural areas currently lack access to broadband internet compared to just 10 percent in urban areas.

"It is imperative that we do all that we can to improve access to adequate and reliable broadband that supports economic development and connects communities to critical services, especially in rural areas," said **Governor John Hickenlooper**. "These funds will help us to take an important step forward to achieving the goal."

"The Broadband Deployment Board is working to close the connectivity gap between rural and urban Colorado communities by awarding these broadband infrastructure development grants throughout the state," stated DORA Executive Director **Joe Neguse**. "Access to broadband internet service is vital for rural communities to help them expand key services like remote

healthcare, increase access to education and foster business development."

For example, broadband access expands healthcare service to rural communities through tele-health initiatives; provides students with the same quality of online education as their metro community peers; increases efficiencies for agriculture via the ability to monitor and analyze crop and water conditions in real time; and helps support local economies by providing rural businesses with the ability to sell products worldwide.

Applicants must provide broadband service in unserved areas, which is defined as having less than 25-megabits downstream and 3-megabits upstream. The grant program is competitive, and funds awarded will go to applications that demonstrate cost effectiveness and provide substantial benefits to the local community.

## Transferring broadband funds

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longer eligible for high cost support. That decision has been challenged in court by Viaero Wireless.

The PUC in April ordered PUC staff in its capacity as the high cost fund administrator to release the disputed funds from 2014 to the broadband board. And it opened the new docket to determine if additional money can be transferred for 2015 and 2016 based on its finding of effective competition in the 46 wire centers.

The amount of funds the PUC authorizes for transfer to the Broadband Deployment Board will take into account the projected high cost fund contributions; remaining disbursements for 2015 and 2016 basic service in accordance with previous PUC decisions; and target reserve amounts.

# CNG lowers natural gas rates effective May 1

Lower natural gas rates for customers of Colorado Natural Gas (CNG), Inc. went into effect on May 1.

The Public Utilities Commission (PUC) in April approved an interim gas cost adjustment for CNG customers that decreased overall bills from about 2 to 8 percent on an annual basis, depending on their service territory. CNG provides natural gas service to approximately 21,000 customers in four service areas in Colorado—Bailey, Pueblo West, Cripple Creek and Eastern Colorado.

The decreases reflected changes in the company's gas commodity costs, deferred gas cost recovery, and upstream transportation costs. Utilities

are required by PUC rules to file gas cost adjustments once a year in the fall, but are allowed to seek interim adjustments in cases of significant over-recovery or under-recovery of gas costs.

Based on the May 1 rates, residential customers in the Bailey division will see a decrease of about 2.42 percent in their average annual bill. Commercial bills will go down by about 2.55 percent. For the Pueblo West division, residential bills will decrease by 1.91 percent, with commercial bills going down 2.06 percent. For the Cripple Creek division, residential customers will see a 2.09 percent decrease, with a 2.31 percent decrease for commercial

customers. For the Eastern Colorado division, the decreases will average 6.98 percent for residential customers and 6.54 percent for commercial customers.

Gas cost adjustments are used by utilities to pass through to their customers market fluctuations in the wholesale price of natural gas. Wholesale prices were deregulated by the federal government in the 1980s.

The natural gas commodity makes up the largest portion of a customer's natural gas bill. Both increases and decreases in the cost of purchasing natural gas are passed on to customers on a dollar-for-dollar basis, with only minor exceptions.

## PUC commissioner confirmed by Senate

Commissioner **Frances Koncilja** was confirmed to the Public Utilities Commission (PUC) by the Colorado Senate early in the 2016 legislative session.

Koncilja, who was appointed by Governor John Hickenlooper to the PUC in January, was confirmed on February 15 with nearly unanimous bi-partisan approval.

Koncilja, originally from Pueblo, practiced law in the Denver area since 1972. She began her career with the Colorado State Public Defender's Office, and later worked for the U.S. Attorney's Office. She entered private practice in 1978 and in 1993 founded the law firm Koncilja & Associates, which she closed as the result of her appointment to the PUC. For 23 years, the firm handled a broad range of commercial, civil and bankruptcy disputes in state and federal courts.

She also served on the board of directors for the Colorado Economic Development Commission and the Colorado Lottery Commission.

Koncilja received a Bachelor of Arts degree from the University of Southern Colorado in Pueblo and was honored as an outstanding alumnus in 1995. She received a Juris Doctorate from the University of Colorado law school.

Koncilja, whose term expires in January of 2020, joined Chairman **Joshua Epel** and Commissioner **Glenn Vaad** on the three-member PUC, which regulates rates and services of investor-owned electric, gas and water utilities; some intrastate telecommunications services; for-hire motor carriers in Colorado; and safety of railroad crossings and intrastate natural gas pipelines.

PUC commissioners serve staggered four-year terms. No more than two appointees may be from the same political party. Epel and Koncilja are Democrats, Vaad is a Republican.



Fiona Sigalla

Make a difference and have fun.

Those are the goals that **Fiona Sigalla** strives to achieve as a Senior Economist in the Economics section at the Public Utilities Commission (PUC).

Fiona has been with the PUC since September 2011. Her responsibilities include evaluating utility filings, including requests for changes in rates, to be sure that they provide just and reasonable rates and are in the public interest. Often, utility filings become litigated proceedings requiring staff to provide written and oral testimony on behalf of the State of Colorado.

"Every day provides the opportunity to learn something new," Fiona said. "Utility filings are often complex and opaque. We work for the people of Colorado and make a difference for them."

Fiona holds bachelor's degrees in Economics and Political Science from the University of Washington, and a master's in Applied Economics from the University of Minnesota. For 20 years, she was an economist for the Federal Reserve Bank in Dallas, forecasting economic conditions and conducting

## INSIDE CONNECTIONS

research on a wide range of topics.

She also worked for the Minnesota legislature as an analyst, and prior to joining the PUC worked as an economist for the Colorado Legislative Council, providing economic forecasts and fiscal analysis for the General Assembly.

Fiona has been quoted in numerous publications, including the *Wall Street Journal* and *Time* magazine, and has published articles in Federal Reserve publications and refereed economic journals.

"Together we are all smarter than any one of us individually," she said. "Chocolate generally helps."

Fiona carries her passion to make a difference and have fun beyond the confines of the PUC office. She is a board member of the Denver Association for Business Economists, and a member of the estimating group that produces the Colorado Business Economic Outlook for the University of Colorado Boulder, Leeds School of Business.

Her hobbies include attending live music concerts and traveling the world, preferably at the same time. As evidence of that, she noted that this year she attended her 39th Bruce Springsteen concert and has tickets booked to visit her 24th country.

It's no wonder, then, that one of her favorite quotes comes from a Springsteen song. "Someday we'll look back on this and it will all seem funny."

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

## POSITIVE CHARGES



Conor Farley

Welcome to new PUC employee **Conor Farley**, an



Administrative Law Judge in the Administrative Hearings section. Conor started his new duties on May 1. He comes from the Attorney General's office, where he previously served as a Commission advisory counsel.

Congratulations to **Gabe Dusenbury**, who was promoted in March to a Rate/Financial Analyst position in the Economics section, handling energy and water issues. Gabe previously worked as a Rate/Financial Analyst in the PUC's Transportation section.

### Starting Point

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To learn more about Colorado moving regulations or to file a complaint, call the PUC Consumer Affairs office at 303-894-2070 (Denver metro area) or 1-800-456-0858 (outside the Denver metro area). Complaints may also be filed via the PUC website ([www.colorado.gov/dora/puc](http://www.colorado.gov/dora/puc)) by clicking on the File a Complaint link under the Consumers' column.



**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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1560 Broadway, Suite 250  
Denver, Colorado 80202

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# PUC agrees to rehearing on solar gardens settlement

The Colorado Public Utilities Commission (PUC) has granted a request for rehearing to take additional evidence on a proposed settlement regarding the acquisition of community solar gardens (CSGs) pursuant to Xcel Energy's 2014–2016 Renewable Energy Standard (RES) compliance plan.

The PUC agreed on May 4 to a request by Xcel and three solar companies to re-open the record after rejecting an agreement addressing implementation of Xcel's CSG program in March. The PUC ruled at that time that the proposed agreement was not in the public interest because it was inconsistent with certain statutes, PUC rules and previous decisions, and it was likely to raise the cost of renewable energy to customers.

In their joint request for rehearing, Xcel and the solar companies said they "understand that there are several fundamental ways in which the settling parties failed to address complicated legal and factual issues that were raised by the settlement," adding that they believe the settlement provisions are in the public interest and consistent with

Colorado law, "and regret that earlier pleadings did a poor job of demonstrating this."

The rehearing is scheduled for June 1 at the PUC.

The proposed settlement was entered into by Xcel, SunShare, Clean Energy Collective and Community Energy Solar. The three solar companies build and operate community solar gardens and were declared by Xcel to be the three winning bidders of the company's 2015 competitive solicitation for 29.5 megawatts (MW) of CSG resources. Under the terms of the proposed settlement, Xcel would pay a rate of \$0.03/kWh for the Renewable Energy Credits produced by the CSGs, instead of the bid prices offered in response to the 2015 request for proposals.

In rejecting the settlement earlier, the PUC said questions about the nature of the negotiations and the single, higher REC price made it unlikely that the settlement would result in cost-effective implementation of CSGs.

The Commission also said settle-



*The PUC has agreed to take additional evidence on a proposal by Xcel Energy and three solar companies regarding implementation of the company's community solar gardens program.*

ment provisions about the proposed method for determining customer bill credits for CSGs, and about Xcel

ownership of a CSG also were inconsistent with statutes, PUC rules and previous PUC decisions.

## Black Hills takes control of SourceGas holdings

A recommended decision approving an application to transfer ownership and control of SourceGas' regulated gas utilities in Colorado to Black Hills became final in February.

The Public Utilities Commission (PUC) upheld an administrative law judge's (ALJ) decision approving various settlements filed in the proceeding, with significant modifications.

The ALJ rejected provisions of the settlement, entered into by the company, PUC staff and the Office of Consumer Counsel, that would have allowed Black Hills to earn above its authorized return on equity unencumbered for five years, except in very limited circumstances. That provision also would have prohibited PUC staff from challenging the rates and revenue require-

ments of Black Hills for five years.

The recommended decision also required Black Hills to implement a Quality of Service Plan in consultation with PUC staff that establishes certain metrics that will be evaluated on an annual basis for no less than five years.

The ALJ concluded that the settlement agreement was "decidedly skewed in favor of (Black Hills) and its shareholders" absent the modifications.

The companies completed the transaction in February, with Black Hills Utility Holdings, Inc., a subsidiary of Black Hills Corporation and the parent company to Black Hills' regulated utility providers in Colorado, purchasing SourceGas Distribution and Rocky Mountain Natural Gas LLC.

Others terms of the settlement

adopted by the PUC included: no recovery of transaction costs from customers; no requested rate change for two years for Rocky Mountain and three years for SourceGas; and the creation of a regulatory asset to account for certain salary expenses and severance payments. Black Hills also agreed to various customer protections, and to reduce gas rates to retail customers by \$200,000 within 90 days of closing.

In a separate settlement filed with EOC, Black Hills agreed to adopt SourceGas' Percentage of Income Payment Plan within 90 days of closing, and agreed to partner with EOC for the provision of energy efficiency programs to low-income customers.

Prior to the transaction, Black Hills/Colorado Gas Utility provided

regulated natural gas service to about 64,000 customers in 27 communities, including Castle Rock, Fountain, Larkspur, Monument, Woodland Park, Limon and Burlington.

SourceGas Distribution provided natural gas retail sales service and distribution transportation service to approximately 92,000 residential, commercial, industrial and agricultural customers in Colorado. It operated service territories on the Western slope, Front Range, northeast Colorado, and southeast Colorado.

Rocky Mountain is a Colorado intrastate natural gas pipeline in western Colorado providing jurisdictional gas transportation and storage services to natural gas producers, shippers and industrial customers.

## Hearings scheduled for July on solar subscription program

The Public Utilities Commission (PUC) will take up Xcel Energy's second request for approval of a solar subscription program at hearings July 18–22.

Xcel has proposed offering a new voluntary program, called Solar\*Connect, that would enable customers to offset their annual electric usage with solar energy. Solar\*Connect is modeled after the company's WindSource program, which sells subscriptions for wind power.

The PUC rejected a previous application for Solar\*Connect in 2014. PUC commissioners at the time said there was no system need for additional capacity or renewable energy credits; there was no demonstrated customer demand for the program; and they were worried that it didn't provide a level playing field with companies already working in the community solar market.

In its new application, Xcel said it has reshaped the program over the past year to address the concerns raised by the PUC, as well as other stakeholders that participated in that proceeding.

"The updated Solar\*Connect provides a voluntary solar program for our customers that has been designed to minimize if not eliminate subsidies from non-participating customers," Xcel stated.

Under the proposal, Xcel would offer

subscriptions for solar generation from new, large photovoltaic facilities (up to 50 megawatts). Solar\*Connect would be available in addition to the two other solar products currently offered by third-party vendors—Solar\*Rewards for customer-sited solar and Solar\*Rewards Community for community solar gardens.

Customers would have the option to obtain energy from the dedicated solar resource pursuant to terms and conditions set out in a regulated tariff. The term could be month-to-month, 5 years or 10 years. Prices would be published on the company's website and could change no more frequently than once a year. Customers would be able to lock in their contract price and contract year term at the time of subscription.

Xcel would purchase the new solar energy through one of more power purchase agreements resulting from bids through a competitive solicitation.

More than a dozen parties, including a handful of solar industry groups, have intervened in the proceeding. Generally, critics of the application have raised concerns about potential impacts to the unregulated market for distributed solar generation.

A decision on the application is expected by the end of the year.

## Xcel clean technology pilots gain approval by Commission

The Colorado Public Utilities Commission (PUC) has granted Xcel Energy's request for approval of two Innovative Clean Technology (ICT) demonstration projects.

The PUC in March approved without modification a settlement agreement authorizing Xcel to invest \$9.1 million for the two projects, which will test emerging technologies on microgrid and battery applications. The settlement was signed by the company, PUC Staff, the Office of Consumer Counsel, the Colorado Energy Office, Western Resource Advocates, Sunrun Inc., and the Energy Freedom Coalition of America.

The PUC found that the settlement agreement improved the original application by providing greater public visibility through milestone reports, ensuring that costs for the projects would be appropriately vetted in a future rate proceeding, and assuring that all resulting data and information that would benefit the public will be made available to the PUC and the public as a whole.

For one project, known as the Panasonic project, Xcel will install utility-scale solar generation and one large battery at a location near Denver International Airport. The Panasonic

project will have the capability to be operated as a microgrid as well as connected to the regional grid.

For the other project, known as the Stapleton project, Xcel will install six batteries on the customer side of the meter at residences that already have rooftop solar. Another six batteries will be installed on Xcel's feeder line in that area, which receives significant power flowing from distributed generation. These utility-sited batteries will store excess energy and discharge it during peak load hours.

The purpose of the two projects is to understand the potential for energy storage to help Xcel manage the impact of high penetrations of distributed solar photovoltaic energy on its distribution system feeders. In addition, the company also will be evaluating the capabilities of batteries installed on distribution feeders to regulate voltage, reduce peak demand, and reduce energy costs for the benefit of all the company's customers.

These are the third and fourth ICT projects undertaken by Xcel. In 2009, the PUC approved a concentrating solar power thermal project at Xcel's Cameo generating facility near Grand Junction; and in 2012 the PUC gave approval for a community energy storage project in Aurora.



# Judge recommends taxi approval under new law

## Entry standards eased for Denver metro area

A Public Utilities Commission (PUC) administrative law judge has recommended granting in part an application for taxi authority requested by Green Taxi Cooperative.

The recommended decision, issued March 11, approves Green Taxi Cooperative's application to provide taxi service in the seven-county Denver metro area. The judge, however, dismissed a portion of the application to provide taxi service in El Paso County.

If the recommended decision becomes final, Green Taxi Cooperative will become the first new taxi company authorized since a 2015 law went into

effect relaxing taxi company entry standards in the Denver and Colorado Springs area.

Under the law, which became effective last August, new applicants for taxi service need only to show operational and financial fitness to be granted authority to operate. The legislation removed a provision in statute that allowed opponents of a new application to challenge its approval by demonstrating that the granting of the application would be detrimental to the public interest.

According to the new law, if the PUC determines that the applicant has proved its operational and financial fitness, the Commission must grant the applicant a certificate.

After conducting hearings on the application, the administrative law judge concluded that the evidence demon-

strated Green Taxi Cooperative was operationally and financially fit to provide operations across the seven Denver metro counties as a whole. The company failed to demonstrate fitness to provide proposed services in El Paso County, "because, at least in part, the evidence failed to show that any service would be provided in El Paso County."

Exceptions to the recommended decision were expected to be taken up the PUC commissioners sometime in May.

A number of other applications to provide taxi service under the new entry standards are pending at the PUC. Decisions on those applications are likely to be issued this summer.

The new standard applies to applications to provide taxi service within and between the counties of Adams, Arapahoe, Boulder, Broomfield, Denver,

Douglas, El Paso and Jefferson.

Outside of the eight metropolitan counties, the entry standard of "regulated competition" is applied for counties with populations of 70,000 or more, such as Larimer, Weld, Mesa and Pueblo counties. Under that standard, taxi companies wanting to provide new service must show that they are operationally and financially fit. The burden of proof then shifts to opponents of the application to prove that granting such an application would be a detriment to the public interest.

For counties with less than 70,000 people, the standard remains the more stringent "regulated monopoly," in which new applicants must prove that there is a public need for the service, and that the existing service is substantially inadequate.

# PUC dismisses Black Hills gas reserve application

The Colorado Public Utilities Commission (PUC) has dismissed an application by Black Hills Colorado/Gas Utility Company to acquire natural gas reserves, stating the plan posed "serious risks to ratepayers."

The PUC voted on April 27 to grant a motion to dismiss filed by the Office of Consumer Counsel (OCC), which argued that Black Hills had failed to provide sufficient evidence on immediate and future costs of the proposal.

Black Hills in October filed an application seeking approval of proposed investments in natural gas reserves. Black Hills sought to enter into a "gas hedging" agreement with an affiliate to acquire 50 percent of the company's forecasted annual firm gas demand.

Production operating expenses, plus a return on expenses for capital used to acquire the reserves, drill the wells and construct required infrastructure, would be recovered from ratepayers.

In its application, Black Hills said the program was designed to provide long-term natural gas price stability for company's utility customers, along with a "reasonable expectation" of customer savings over the life of the program.

The PUC in December directed Black Hills to provide supplemental testimony about the cost impacts of the program, and issued specific questions to be addressed. Hearings on the proposal were scheduled for July 11-14. However, those were vacated after the OCC filed its motion in March.

In dismissing the application, the PUC said the company failed to provide in its supplemental testimony the majority of information requested by the Commission. The Commissioners noted a number of problems with the proposed framework of the proposal, including a concern that ratepayers would bear significant costs up front, even if Black Hills didn't acquire any reserve projects, and any future benefits were based

on speculative long-term gas price increases that weren't supported by forecast trends.

The PUC concluded that granting this particular gas hedging program without adequate information to determine sufficient ratepayer protections was not in the public interest. It said Black Hills could file another application in the future, but it would need to include significantly more detailed financial information.

## Logan County 911 increase approved

The Colorado Public Utilities Commission (PUC) in March approved a request by the Logan County E-911 Authority to increase its E-911 surcharge from \$0.70 to \$1.25 per month.

The PUC found that the increase was necessary to fund investments that are required to allow Logan County to continue to provide adequate and reasonable emergency telephone service, including investments to pay for equipment upgrades to make the system compatible with digital technology being implemented by other emergency response agencies.

The Logan County authority board administers the operation of emergency telephone service in Logan County in northeast Colorado, including the towns of Sterling, Merino, Peetz, Iliff, Crook, and Fleming. The Sterling Emergency Communications Center serves an area encompassing approximately 1,839 square miles and a population of 22,524 residents. In 2015, the center was projected to handle about 28,000 calls.

Land-line and wireless telephone customers in Colorado pay a monthly

surcharge to fund the equipment and operational expenses of the 911 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 911 authority may assess a surcharge of up to 70 cents per customer per month for emergency telephone services without the permission of the PUC. Anything above that amount requires PUC approval.

The Logan County surcharge has remained at \$0.70 per month since the E-911 authority was first established in 1992.

Earlier this year, the PUC also approved a proposal by nearby Phillips County to increase its E-911 surcharge from \$1.25 to \$1.75 per month. Phillips County, which lies in the northeast corner of the state, bordering Nebraska on the east, is the third authority board in Colorado to impose a monthly surcharge of \$1.75. The others are the San Juan and Summit 911 authorities.

## Garfield County seeks surcharge hike

The Garfield County Emergency Communications Authority has applied to the Public Utilities Commission (PUC) for approval to increase its E-911 monthly surcharge from \$0.70 to \$1.30.

The proposed surcharge increase, filed April 1, would affect all users of wireline, wireless and Voice-over-Internet-Protocol (VoIP) telephone services within Garfield County. The proposed effective date of the increase is July 1, 2016.

The Garfield County authority board said the increase is needed to purchase and maintain new equipment and systems; repair and maintain increasingly complex technical systems not designated for replacement; and to build and maintain capital reserves

and contingency funds to meet the next wave of E-911 upgrades.

The Garfield County Emergency Communications Authority provides E-911 services to more than 57,000 residents in unincorporated Garfield County, the town of Carbondale, the city of Glenwood Springs, the town of New Castle, the town of Parachute, the city of Rifle, and the town of Silt.

The surcharge has remained at \$0.70 per month since the E-911 authority was first established in 1997.

Under Colorado law, a 911 authority may assess a surcharge of up to 70 cents per customer per month for emergency telephone services without the permission of the PUC. Anything above that amount requires PUC approval.



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